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NEWS SUMMARY

GENERAL

Second Paris bomb maims

A Dutch woman motorist was maimed when a car-bomb, detonated by her ignition switch, blew up in Paris' Latin Quarter at 2 am yesterday following Friday's explosion outside a synagogue from which a fourth person has now died.

A caller claimed the neo-Nazi Revolutionary Nationalist Movement was responsible but police doubt authenticity of the claim. Government and police faced public outrage for not quelling anti-Semitic extremism. A wave of indignation swept across France and demonstrations gave a taste of tomorrow's mass meeting.

It was alleged that neo-Nazis had infiltrated the police and were suppressing evidence against Right-wing extremists. The detectives' union leader said Interior Minister Bonnet knew that one-fifth of 150 names of members of the banned FANE (National and European Action Federation) were policemen. **Back Page**

Tel Aviv bomb

Three people were killed and six wounded when a booby-trapped parcel exploded in a Tel Aviv post office yesterday. The Palestine Liberation Organisation claimed responsibility.

Reagan advance

Ronald Reagan has enough support to beat President Carter in the U.S. election, according to polls in the Washington Post and New York Times. Victory requires 270 electoral votes. Respectively they say he leads in 25 States with 283 and 29 with 314.

510 saved

All 510 passengers and crew of Holland-America Line's ship Prinsendam were rescued. The liner, cruising off Alaska with mainly elderly Americans aboard, caught fire. It is drifting off Sitka, ablaze.

301 gassed

Poisonous gas, not fire, killed all 301 people aboard the Saudi Arabian airliner destroyed at Riyadh airport in August. The fire started in the baggage compartment, said an official report, and gas-stoves were eliminated as the cause.

'Red' Adair team

Experts from Texan "Red" Adair's company will today make a second attempt to stem poison gas and oil flowing from the damaged U.S.-owned rig Ron Tapmeyer, north of Ras Tanura in the Gulf, on which 19 men were killed on Thursday.

Baudouin steps in

King Baudouin has declined to accept for two days the weekend resignation of Belgian Prime Minister Wilfried Martens and his coalition Government. The King called for new talks and "deliberation." **Page 2**

Detroit wins Arc

Robert Sangster's French-trained filly Detroit ridden by Irishman Pat Eddery won the $250,000 Prix de l'Arc de Triomphe at Longchamp. British favourite Ela-Mana-Mou came third. **Page 12**

Briefly . . .

Princess Caroline, separated from her husband Philippe Junot since August, filed for divorce in Monaco.

China's Protestants today open their first national conference for nearly 20 years, in Nanking.

BUSINESS

Pay rise limit of 15% sought

● **PAY RISES** of less than 15 per cent will be sought by a growing number of manufacturers this winter, according to the FT monthly survey of business opinion published this morning.

Sir Geoffrey Howe, the Chancellor, today makes his second attempt in two months to persuade union leaders to debate pay restraint. **Back Page and Page 26**

● **PLANS TO REOPEN** Tyne Dock Engineering ship repair yard were abandoned by Mr. Robert Butler because he cannot reach agreement with unions. **Page 5**

● **STERLING M3 GROWTH** target of 7 to 11 per cent a year was "never really practicable" given the decisions to double VAT and keep the Clegg Commission, says stockbrokers Phillips and Drew. **Page 4**

● **PUBLIC SHARE ISSUE** is being made to part finance a £3.3m private hospital in Yorkshire. **Back Page**

● **BRANON** oil services group is seeking a full Stock Exchange listing. **Page 10**

● **SOVIET UNION** told India it cannot supply urgently requested extra oil and petroleum products because of difficulties in meeting its own needs. **Page 2**

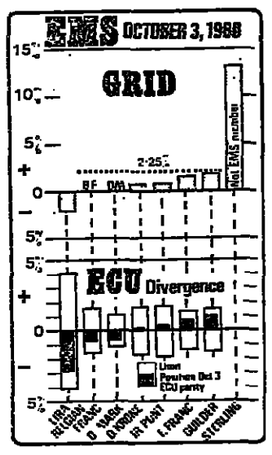
● **NATIONAL STRATEGY** on information technology is being considered by the Industry Department. **Page 25**

● **WEST GERMANY** is to approve a £4.8m EEC textile research programme. **Page 25**

● **IDEAL TOY** of the U.S., a leading toy and games manufacturer, warned that the Christmas season may not reverse the downward trend in profits. **Page 28**

● **ITALIAN LIRA** remained the European Monetary System's weakest currency last week. Each currency's performance against the European Currency Unit (shown in the chart) includes adjustments to compensate for the lira's fall after the government collapsed. Measures taken by the Bank of Italy, including a rise in the discount rate to 16½ per cent, precluded any speculative run on the lira.

The Dutch guilder was the strongest currency, followed by the French franc and the Irish punt. The Danish krone remained around the middle of the system. The D-Mark and the Belgian franc continued to show a weak tendency.



The charts show the two constraints on European Monetary System exchange rates. The upper grid, based on the weakest currency in the system, defines the cross rates from which no currency (except the lira) may move more than 2¼ per cent. The lower chart gives each currency's divergence from its "central rate" against the European Currency Unit (ECU), itself a basket of European currencies.

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West German Government coalition coasts to victory

BY JONATHAN CARR AND ROGER BOYES IN BONN

THE WEST GERMAN Government coalition under Chancellor Helmut Schmidt coasted to victory yesterday in the country's general election, the ease of which was due in particular to a sharp increase in support for the relatively small liberal party of Free Democrats.

Dr. Helmut Kohl, chairman of the opposition Christian Democrats, conceded defeat and blamed the loss on a "slander campaign" waged against the controversial Herr Franz Josef Strauss, leader of opposition alliance.

Computer estimates indicated that the conservative opposition alliance had plunged to its worst result since 1949, the year the Federal Republic was founded.

The Social Democrat (SPD) and Free Democrat (FDP) coalition, which has been in power in Bonn since 1969, is thus set for another four years of office.

With the failure of Herr Strauss to carry the Christian Democrat Union (CDU) and Bavarian Christian Social Union (CSU) to victory, it is felt certain that he will renounce further efforts to become Chancellor and will hand over to a new candidate.

The computer figures indicate that Herr Schmidt's SPD won 43.1 per cent of the vote, a little better than the 42.6 per cent it achieved in the last general election in 1976. But the SPD did not achieve its aim of becoming the largest party in the Bundestag, the lower house of parliament.

The largest single party grouping will still be the CDU-CSU with an estimated 44.4 per cent of the vote, compared with 48.6 per cent in 1976. Dr. Kohl, a centrist, led the CDU-CSU four years ago. Herr Strauss is seen as markedly farther to the Right and this factor was being blamed by others last night for the opposition's poor showing.

The FDP has the most cause to be pleased with itis performance. Some party members last night appeared almost dumbfounded by their own success. The computer estimates showed that the FDP had captured about 10 per cent of the vote, compared with 7.9 per cent in 1976. Only twice before have the liberals managed to pass the 10 per cent mark—in 1949 and 1961.

The good showing of the FDP is held to highlight the increasing desire of many West Germans for a buoyant party of the centre holding the balance betwen the major blocs. The FDP ran a clever campaign, resoned and deliberately low-key, carefully avoiding the bitter personal attacks launched on one another by leading figures of the SPD and CDU-CSU.

Early opinion surveys pointed yesterday to a 90 per cent voting turnout—that is, about the same level recorded in the 1976 and 1972 elections, both of which ended in victory for the SPD-FDP coalition. Aided by sunny weather, voting appeared to be particularly strong in North Rhine Westphalia, the most populous region in Germany and a key SPD-controlled State.

Voting turnout was a central occupation of the SPD and the CDU during the last few days of the campaign. On the one hand, the CDU oliticians tacitly urged their traditional supporters to put aside any lingering doubts about Herr Strauss and go to the polls to "stop Socialism."

British Steel issues price-war ultimatum

BY ALAN PIKE

THE BRITISH Steel Corporation (BSC) has warned the EEC Commission that it will launch a deliberate price-cutting offensive against European competitors unless agreement is reached on effective price and production controls by the end of this month.

Mr. Ian MacGregor, chairman, has set a deadline of October 30 for the end of the simmering price war. It has been provoked by the collapse in steel demand and the breakdown of agreement on the Davignon measures to maintain stability in the European industry.

Otherwise, BSC intends to enter the war. Mr. MacGregor declared yesterday: "You have not seen anything yet—there will be mayhem."

The corporation's decision introduces a new and urgent element into the EEC Commission's search for a new agreement on steel, which will continue at a Council of Ministers meeting at Luxembourg tomorrow.

Mr. Gordon Sandbrook, BSC has already begun identifying target customers for the offensive. The corporation would be likely to concentarte on West Germany, whose steel producers, together with the Italians, are frustrating efforts by Viscount Davignon, the EEC Industry Commissioner, to reinforce the three-year-old price and production control mechanism within the industry.

BSC has been reluctant to become involved in a price war, which could fracture further the industry's already weak market structure. But Mr. MacGregor said yesterday there was evidence that hot rolled coil—which accounts for some 40 per cent of total EEC crude steel production—had been offered on the British market for £120 per tonne when the appropriate price would have been over £200.

Indications are that BSC is preparing to strike back at European producers by offering prices of around £100 per tonne.

Sir Keith Joseph, Industry Secretary, increased BSC's external funding limit by £400m the week before last to keep the corporation trading until the end of the year. This financial flexibility in the corporation would be unlikely to seek involvement in an all-out price cutting war with its European competitors for very long. Mr. MacGregor's proposals must therefore be seen, at least to some extent, as shock tactics intended to restore stability in the EEC steel industry.

Stee imports into Britain so far this year have reached more than £1.1bn, compared with about £780m in the first eight months of 1979. Much of the increase results from the national steel strike. But it also reflects mounting pressure on British steel producers caused by the strong pound and the fact that closure of U.S. markets during the anti-dumping dispute has forced European steelmakers to look elsewhere. BSC now expects about £20m a week. Corporation executives believe that action—in the form of either firm European price and production controls or a decision to join the free-for-all—can be delayed no longer.

The possibility of mandatory controls imposed by the EEC Commission under Article 58 of the Treaty of Paris will be [illegible] Ministers' meeting. But in the view of leading European steel

Continued on Back Page

Saudi oil increase confirmed

By James Buchan and Simon Henderson in Bahrain

SHEIKH AHMED ZAKI YAMANI, the Saudi Oil Minister, confirmed yesterday that Saudi Arabia has raised its oil production above its recent usual level of 9.5m barrels a day. During a visit to Bahrain, Sheikh Yamani said that the increase in output would "continue as long as necessary."

Although Sheikh Yamani was not specific, he indicated that the smaller producers of the Gulf had concurred in the Saudi decision to raise output to offset the loss, through war, of Iraqi and Iranian production of more than 3m b/d—about 5 per cent of world demand. It is probable, too, that the United Arab Emirates will also agree to a minor increase.

However, Sheikh Yamani was unwilling to discuss persistent reports in the Gulf that Aramco, the State-owned company which handles the bulk of Saudi crude, had been instructed to raise production by 700,000 b/d on October 1 when the fourth quarter begins. When asked about production plans, he said: "We will have to see." indicating that the actual level would vary according to the market.

Sheikh Yamani was in Bahrain yesterday at the end of a visit to Kuwait, Qatar and the UAE, apparently to press the case for increased output to calm a market made highly nervous by the war. Kuwait, however, is refusing to review its production level and seems deeply opposed to a general increase when world stocks of oil stand at over 100 days' consumption.

Sheikh Yamani himself bridled at the suggestion that the kingdom's decision was at the request of Iraq. That was apparently conveyed last week by Mr. Saadoun Hammadi, the Iraqi Foreign Minister.

Signs of monetary growth slowing

BY ANTHONY HARRIS

THE BANKING figures to be announced tomorrow will certainly reduce the urgency of a move now being made in Whitehall to tighten the existing system of monetary control.

The first official proposals will be going to the Prime Minister at the end of this week, but there are clear signs that the excessive growth of the monetary aggregate, which has caused a major crisis in Government policy, has slowed

It is likely there will still be significant monetary growth in the September figures since lending which was previously financed outside the banking system is still reappearing in the measured money supply.

The banks are still refinancing oills through loans, and lending in the U.S. sterling market has continued at a relatively high rate. Both these forms of lending will have been financed partly with domestic deposits.

However, it is now thought that new lending to domestic borrowers has fallen so sharply that the underlying rate of monetary growth, apart from [illegible] A single favourable month will not of itself bring the crisis to an end, but if the trends continue favourable in October, then the Government may be ready to contemplate lower interest rates; and to refrain from some of the more radical changes in monetary management proposed.

If all goes well, officials hope that change con be evolutionary rather than revolutionary. There has been criticism of existing methods within the TTreasury and the Bank of England, and the recent explosion in the figures has given them an opportunity to propose modifications.

The first of these, the enlarged issue of "granny bonds" will be available later this month.

Further issues of this kind, both from the Government and the British National Oil Corporation, are likely to be announced with the aim of reducing the traditional reliance on issues of Government stock to offset the Government borrowing requirement. However, the issue of indexed gilt edged stocks, which could be traded in the Stock Market appears to be ruled out.

The main policy changes which officials are urging are steps to make interest rates more flexible and responsive more or less automatically to market conditions, and a fresh look at the Government budget balance.

Monetary officials in both the Bank and the Treasury have felt for some time that monetary control has been hampered by the Government's reluctance to see extreme rises in interest rates which might last only a short time.

However, a strong school of thought, known to be supported by Prof. Alan Walters, the Prime Minister's new personal economic adviser, has long [illegible] indeed be ineffective, unless the Government's own borrowing as a consequence of the budget deficit can be reduced.

The Prime Minister has shown a strong personal interest in the control of the monetary base of the banking system, which is the basis of credit control in some other countries.

But a full-blooded change to this system in the UK would so disrupt existing institutions that officials have been advising her such a change would cause a prolonged period of acute uncertainty. More measured steps would be necessary to maintain confidence and avoid drastic changes in the financial structure which would alter the meaning of the monetary figures themselves.

Iran turns down Soviet offer of military aid

BY OUR FOREIGN STAFF

IRAN appears to have turned down an offer of military assistance from the Soviet Union in its war with Iraq.

The move came as Tehran yesterday ignored the unilateral ceasefire offered by Iraq. And after a short pause, Iraq pressed on with its attacks.

The offer of assistance was made by Mr. Vladimir Vinogradov, the Soviet ambassador to Iran, to Mr. Mohammed Ali Rajai, the Prime Minister.

But Mr. Rajai replied with a list of Iranian grievances against the Soviet Union and said that in the absence of healthy relations with Moscow, Iran would not exchange its "independence and freedom for anything."

Mr. Vinogradov, whose country has a treaty of friendship with Iraq, and is believed to be resupplying it on a limited scale, said the Soviet Union, like Iran, was fighting U.S. imperialism. "We are against this war, and we condemn whoever started it," he is reported as saying.

Under the Shah, Iran purchased a small amount of Soviet military equipment, including heavy artillery and tank transporters, but the bulk of its military equipment is from the West.

Iraq temporarily stopped firing yesterday morning in view of the three-day ceasefire it had unilaterally declared, but resumed fighting a few hours later after Iran, as it made clear beforehand, continued fighting.

Iraq set up a heavy artillery bombardment of the Iranian port of Khorramshahr against positions in the south of the city which Iraqi commanders say are still held by Iranian forces.

Later Iraq said that in view of the Iranian rejection of the ceasefire it would continue "the just and honourable battle whatever its duration and the sacrifices required for the restoration of the rights of Iraq and the Arab nation."

Iraq said that Iranian aircraft continued to attack Baghdad and other cities yesterday.

For only the second time in the war, an Iraqi bomber, thought to be a Tupolev 22, bombed Tehran yesterday.

Bombs fell near one of the runways at Mehrabad airport but there were no reports of casualties and the aircraft was reported to have been shot down.

Iraq has received an important commitment of support from King Hussein of Jordan, who, according to the Iraqi News Agency, paid a 24-hour visit to Baghdad over the weekend.

He said in Amman that Jordan was not neutral in the war and that Jordan was considering giving military assistance to Iraq.

Jordan could help Iraq by allowing Soviet ships to use the port of Aqaba to resupply Iraq, since they are reported to be unable to reach the Iraqi port of Basra because of the fighting.

Jordan could also, if the pressure on Iraq mounts, send troops to hold rear positions for the Iraqis and so free Iraqi troops for frontline fighting.

In Iran, Mr. Mohammed Javad Tondguyan, the newly-appointed Oil Minister, refused to say how much damage had been done to the country's oil installations by the war.

"I think we are dealing with a long war. We have fuel for our army for that war and we will never run short of that fuel," he said.

He claimed that Iranian oil exports had not stopped, though he refused to elaborate. He also said Iran would boycott the conference to celebrate the 20th anniversary of OPEC which is scheduled to be held in Baghdad next month.

Rebels likely to keep TUC seats

BY JOHN LLOYD, LABOUR CORRESPONDENT

THE LEADERS of the unions which have defied TUC advice on the Isle of Grain laggers dispute are almost certain to keep their seats on the TUC general council—even though all parties concerned in the inter-union dispute believe that the unions themselves, representing nearly 1.7m members, will be suspended from the TUC

An examination of the constitutional position by TUC officials last week showed that it was, as one official put it, "95 per cent certain" that the union leaders concerned — Mr. Terry Duffy, president of the engineering section of the Amalgamated Union of Engineering Workers, Sir John Boyd, its general secretary, Mr. Gavin Laird, an AUEW executive member, and Mr. Frank Chapple, general secretary of the Electrical and Plumbing Trades Union — will keep their seats, and full voting rights.

The main argument for this is that the formal method of election to the general council is by the vote of the annual TUC conference, which met last month. The leaders cannot therefore be treated as delegates of their unions, and suspended when the unions are. Instead, they can only lose their seats if and when next year's conference so wishes.

However, some consideration may be given to their position on the various TUC committees —like the economic, employment and finance and general purposes committee — the membership of which is under the direct control of the general council. It is in these committees where much of the policy work of the TUC is done and all the officials concerned are members of a number of them.

The unions—which include the construction as well as the engineering section of the AUEW and the EPTU—have until Friday to change their position opposing the TUC's advice on Grain.

The basic issue remains the position of the 57 insulation engineers or laggers, members of the AUEW, the EPTU and other unions, who have taken the jobs previously held by 27 laggers who are members of the General and Municipal Workers' Union.

While moves were made to hammer out a compromise at the Labour Party conference, including an offer of mediation by Mr. James Callaghan, which was rejected, all sides now agree that the issue will be taken to the limit, and that suspension is inevitable.

The executive councils of both sections of the AUEW meet tomorrow for final discussions on Grain. Mr. Duffy said on leaving the conference last week that no compromise seemed possible. Mr. John Baldwin, general secretary of the construction section, said last night that overtures to general council members had met no response.

A meeting of GMWU laggers' delegates has been called for tomorrow to discuss Grain and the related dispute at the Milford Haven petro-chemical site.

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OVERSEAS NEWS

Record turnout in Portuguese election

By Robert Graham and Jimmy Burns in Lisbon

PORTUGUESE voters yesterday went to the polls in record numbers in the country's fourth general election since the 1974 revolution. The big turnout was attributed in part to the fine weather but more to the exceptional interest generated by the campaign.

Last December's general election witnessed a turnout of 87 per cent: but all the indicators yesterday were that this percentage had been surpassed.

The Centre-Right Democratic Alliance (AD) of Sr. Franciseo Sa Carneiro is fighting hard to retain its six seat majority in the 250-member Parliament. However, the Alliance is facing a strong challenge from the Socialist Party, which has united with a loose grouping of Marxists and Social Democrats to form the Republican Front.

The Front is hoping to claw back sufficient votes to prevent AD obtaining an absolute majority. These votes are expected to be won mostly at the expense of Portugal's Stalinist Communist Party.

Sr. Sa Carneiro has said that he will form a Government only if he retains an absolute majority. President Eanes has however said he is not against minority rule. Sr. Sa Carneiro's stance is closely linked to his intention of changing the country's revolutionary constitution and opposing the re-election of President Eanes for a new term of office. The campaign for the Presidential election begins on Monday.

In a speech to the country on Saturday evening President Eanes spoke of the need to establish a broad political consensus, but was noticeably less partisan than before last December's election.

Moscow turns down Indian oil bid

BY K. K. SHARMA IN NEW DELHI

The Soviet Union has told India that it will not be able to supply urgent additional supplies of crude and petroleum products requested by the Indian President, Mr. N. Sanjiva Reddy, during his recent State visit to Russia.

Moscow's rejection of the request has surprised the Indian Government since Russia has, in the past, always come to India's rescue when oil supplies ran short. While promises have been made on "long-term arrangements," India's needs are immediate because the Iran-Iraq conflict has disrupted supplies.

Nearly two-thirds of India's annual crude imports of 20m tonnes come from Iraq and Iran.

At present, Russia supplies India with 1.5m tonnes of crude oil a year and another 1.5m tonnes of petroleum products under the annual trade plan between the two countries.

This year, Moscow agreed to supply another 700,000 tonnes of crude oil in exchange for rice of an equivalent value.

India faces serious shortages because of the Russian refusal to supply additional oil, thought to be because of difficulties Moscow is facing in coping with its own needs. India has made limited spot purchases in the Middle East but if the war is prolonged these will not be sufficient.

The Government has decided to increase production from its own oilfields in Gujarat State but this will be limited and will not help immediate shortages. For technical reasons, it is not possible to increase production from the Bombay High offshore field in the western continental shelf.

Hopes are that suppliers from other parts of the world will help and contacts are being made with Mexico, Indonesia and Nigeria. However, no plans for petrol rationing are being considered at present.

No NATO timetable—Suarez

BY OUR MADRID CORRESPONDENT

NO TIMETABLE has yet been fixed on Spain's application to join NATO, Sr. Adolfo Suarez, the Spanish Prime Minister, told journalists at the weekend. It was the Government's firm intention, however, to seek NATO membership, he said.

The Prime Minister's announcement contrasts with a statement made four months ago by the then Foreign Minister, Sr. Marcelino Oreja, who said negotiations to join NATO would begin early in 1981 and that these would be completed before the Government's present term expires in 1983.

Sr. Oreja also emphasised that the Government was prepared to push the issue through by a simple Parliamentary majority. This decision would be strongly opposed by the Socialist and Communist parties, respectively Spain's second and third largest political parties.

Sr. Suarez said at the weekend that the Government now wants to be sure that it will have full parliamentary backing, however.

Referring to another foreign policy issue, Sr. Suarez, also suggested that difficulties had arisen in connection with the Spanish-British agreement on Gibraltar reached in Lisbon last April.

He said Spaniards residing in the area had not yet been granted equal rights if they wish to travel or work in Gibraltar and that "communications will bee re-established" only when these rights were guaranteed.

Under the April agreement, Spain agreed that the lifting of frontier restrictions imposed by Spain on Gibraltar 11 years ago would not be tied to any specific conditions.

Prime Minister Suarez

Sadat extends talks hopes to November 1981

BY OUR CAIRO CORRESPONDENT

PRESIDENT ANWAR SADAT no longer expects any substantial progress in bilateral talks with Israel until November, 1981, the latest date for the outcome of the Israeli general election. This was perhaps the most singnificant point to come out of weekend talks with Mr. David Steel, the leader of the UK Liberal Party who has just finished a tour of five Middle East countries.

Mr. Sadat told Mr. Steel that he looked to Europe to help fill this vacuum. The new deadline which Mr. Sadat has set reflects confidence in his position at home and in the disrupted Arab world. Hitherto, he had talked of the U.S. Presidential election in November as the deadline for breaking the deadlock in talks with Israel.

Mr. Sadat told Mr. Steel that next year would give Europe an opportunity to educate Israeli public opinion about the new realities of the Middle East, even if the Israeli general election takes place before the autumn of 1981.

Mr. Sadat also made the point that other Arab countries would have a chance to join the talks which, according to Mr. Steel, would not be tied rigidly to the Camp David formula.

Mr. Sadat also said he was offering military facilities to Europe on a par with those proferred to the U.S. "This is because Europe would suffer more than the U.S. if there were any disruptions of oil supplies in the Gulf area," he said.

Twelve U.S. F-4Es left Cairo West base on Friday after 33 days of joint exercises with the Egyptian air force, which has 35 of these aircraft. Yesterday General David Jones, chairman of the U.S. Joint Chiefs of Staff, left Cairo for Israel after three days of talks with Egyptian officials.

Mexico restricts imports

By William Chislett in Mexico City

MEXICO has imposed restrictions on the importing of luxury consumer goods. The articles affected range from caviar to electrical appliances and, until the end of 1981, they are subject to the import licensing system.

The idea behind the move is to stimulate the sale of locally-produced items. To a small degree the restrictions could save the country some foreign exchange, but imports of consumer goods account for only about 5 per cent of total imports.

The move may lead to an increase in smuggling in these items. Mexico's 2,000-mile-long border with the U.S. is impossible to control.

Bankers arrested

Sig. Massimo Spada, once a key financial representative of the Vatican and linked closely with Sig. Michele Sindona, has been arrested by Milan police, along with three other senior executives of the former empire of Sig. Sindona, who is now serving a 25 year prison term in New York, Rupert Cornwell writes from Rome. Milan magistrates investigating the collapse in 1974 of the Banca Privata Italiana (BPI), ordered the arrests on charges of complicity in fraudulent bankruptcy.

MEPs pay plan

A European Parliament working group has proposed that MEPs should receive after-tax salaries of about £2,000 a month from next year, according to Mr. Jens-Peter Bonde, a Danish member of the group, Hilary Barnes writes from Copenhagen. When expenses and travel allowances were added, the salary would total about £3,900 a month, tax free, he said.

No aid increase

Mr. Neil Marten the UK Overseas Development Minister, said yesterday that his country would not be increasing its foreign aid over the next two years and added there might even be a minor decline, Reuter reports from Lusaka. "Our first task is to get on top of inflation in the UK," Mr. Marten said

S. Korean closedown

A total of 1,141 small and medium-sized South Korean industrial companies, 3.8 per cent of the total, closed down permanently or temporarily in the first seven months of this year because of recession, the Commerce-Industry Ministry said, Reuter reports from Seoul.

The rate compares with 4.1 per cent for the whole of 1979 and 3.3 per cent for 1978.

Hong Kong meeting

Mr. Huang Hua, the Chinese Foreign Minister, has had brief talks with Sir Murray Maclehose, the Hong Kong Governor, on his way back to Peking from London, Philip Bowring reports from Hong Kong. Sir Murray said they had discussed the problem of illegal migration from China into Hong Kong, and that Mr. Huang regarded Hong Kong's position "sympathetically."

Canada talks start

Two Canadian Government Ministers arrived in London at the weekend for urgent talks with Mrs. Margaret Thatcher and Lord Carrington on the Canadian constitution. Mr. Mark Macguigan, External Affairs Minister, and Mr. John Roberts, Environment Minister, will have a week of discussions over proposals to repeal the British North America Act which serves as Canada's constitution.

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Government in Belgium forced to resign

BY GILES MERRITT IN BRUSSELS

BELGIUM has plunged into renewed political uncertainty with the surprise resignation over the weekend of Mr. Wilfred Martens, the Prime Minister, together with the Ministers in his coalition Government.

After four months of surface calm since the last political upheaval, Mr. Martens was forced on Saturday to submit his Government's resignation to King Baudouin following a stormy Cabinet row over cutbacks in social security and unemployment benefits.

The row that has brought down the third Martens Government in 18 months seems likely this time to threaten Mr. Martens's political career. For the walkout by both the Flemish and Franco phone Walloon Liberal parties, which were brought into the government last June, appears to bring to an end Mr. Martens' success in holding together a coalition.

King Baudouin, upon receiving the Government's resignation, asked for 48 hours before accepting it and yesterday called for fresh talks and "deliberation." But there seems little chance that Belgium can now avoid another period of protracted stalemate during which party leaders will try to form a new coalition.

The only unifying element at present is the rejection by the seven main political parties of general elections as a solution, for Belgium's mandatory voting system tends to alienate the voters while accentuating the divisions between Left, Right and Francophone Walloon and Dutch-speaking Fleming.

The argument that has now brought the Liberals out of Government and toppled Mr. Martens revolves around cuts of BFr 2.4bn (about £37m) in dole payments, out of a pruning in state spending due to total BFr 34bn. But the real problem is that the Liberals were a last resort to Mr. Martens's choice of coalition partners, and without them it is now hard to envisage the emergence of a fourth Martens success.

King Baudouin... asks for 48 hours

Swiss police hold 77

BY JOHN WICKS IN ZURICH

SWISS POLICE arrested 77 people in Zurich this weekend following further demonstrations on Saturday night in the city centre.

Yesterday morning demonstrators occupied the Fraumuenster church in Zurich to hold a "general meeting." Such meetings have served as organising bodies for Zurich's militant youth movement since demonstrations began this summer.

The latest demonstrations, in which shop windows were broken and barricades burnt, follow the failure of negotiations aimed at re-opening an autonomous youth centre. The Zurich city council had refused to allow the centre to remain open around the clock and provide sleeping accommodation.

The youth movement, for its part, turned down the council's conditions and official sponsorship for the centre.

Demonstrations also took place again in Lausanne this weekend. The Lausanne protests began a week ago as a gesture of solidarity with the Zurich youth movement.

Mugabe warns whites

DENDENYORE, Zimbabwe—Mr. Robert Mugabe, Zimbabwe's Prime Minister, has given his bluntest warning to date to Zimbabwe's white minority that they must accept defeat.

Mr. Mugabe told 250 black students at the University of Zimbabwe in Salisbury yesterday: "The vanquished (whites) must sincerely accept defeat if reconciliation is to be realised, but the victor must also act fairly and justly in relation to the defeated," he said. "Reconciliation is not appeasement."

His speech, his toughest about the whites since independence last April 18, was seen as aimed at heading off pressure from radicals in his Zimbabwe African National Union—Patriotic Front party, who complain he is "going soft on the whites."

Mr. Mugabe later flew to Dendenyore, 75 miles south of the capital, for an open-air rally "Let us not fight our enemies," he told the rally, in what his aides said was a reference to Mr. Joshua Nkomo, his Home Affairs Minister and leader of the Patriotic Front Party. "Our success depends on reorganising ourselves

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MITSUBISHI GAS CHEMICAL COMPANY, INC.

6% Convertible Bonds 1992

NOTICE OF ADJUSTMENT OF CONVERSION PRICE

You are hereby notified that as a result of:

1. A free distribution of shares of our Company at the rate of 2 shares for every 100 shares held made to shareholders of record September 30, 1980, and
2. Issuance of 20 million new shares by way of public offering October 1, 1980

the conversion price at which shares are issuable upon conversion of the above described bonds has been adjusted pursuant to Condition 5(C) of the bonds from 235 Yen to 230.20 Yen per Share effective as of opening of business in Tokyo on October 1, 1980.

MITSUBISHI GAS CHEMICAL COMPANY, INC.

Dated: October 1, 1980

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NOTICE IS HEREBY GIVEN, pursuant to the Fiscal Agency Agreement dated as of October 15, 1975 under which the above described Bonds were issued, that Citibank, N.A., as Fiscal Agent, has selected for redemption on October 15, 1980 $194,000 principal amount of said Bonds at the redemption price of 100% of the principal amount thereof, together with accrued interest to October 15, 1980. The serial numbers of the Bonds selected for redemption are as follows:

These Bonds are called for redemption to substitute for invalid numbers in previous call notice published in September, 1980. This notice of redemption is a part of total call October 15, 1980 of $3,501,000.

BOND NUMBERS

71	203	371	563	887	1467	3006	3823	3931	10531	10769	11535	11986	13109	13530	13678	14044
89	218	381	609	910	1491	3023	3831	3938	10540	10784	11556	12026	13381	13556	13689	14061
110	222	391	623	1006	1508	3065	3842	3958	10557	10815	11565	12076	13408	13571	13701	
112	224	404	640	1011	1523	3073	3847	3966	10565	10838	11573	12088	13424	13580	13708	
122	231	413	662	1026	1535	3084	3855	3972	10581	10913	11584	12320	13440	13588	13717	
128	257	422	717	1124	1912	3105	3860	3988	10591	10923	11630	12827	13464	13595	13721	
162	269	434	731	1213	1917	3855	3866	6105	10611	10969	11656	12840	13471	13631	13728	
168	326	443	767	1224	1926	3752	3871	6515	10625	10976	11733	12860	13487	13639	13729	
172	335	453	787	1373	1936	3762	3887	6526	10670	11214	11811	12869	13494	13647	13955	
178	343	461	795	1314	1970	3772	3894	6575	10675	11515	11860	12877	13504	13663	14015	
184	346	476	806	1357	1978	3785	3908	9688	10681	11522	11924	12917	13511	13660	14018	
193	356	479	823	1429	2572	3814	3922	10524	10712	11528	11971	12958	13525	13669	14036	

On October 15, 1980 there will become due and payable upon each Bond selected for redemption the said redemption price, together with interest accrued to October 15, 1980, all as more fully provided in the Bond. Payment of the redemption price of the Bonds to be redeemed will be made in such coin or currency of the United States of America as at the time of payment is legal tender for the payment therein of public and private debts, upon presentation and surrender of said Bonds with all coupons appertaining thereto maturing after October 15, 1980, at the Municipal Processing Department, 16th Floor, Citibank, N.A., 20 Exchange Place, New York, N.Y. 10043. Payment of the Bonds (subject to applicable laws and regulations) will also be made at the offices of Citibank, N.A., in Amsterdam, Brussels, Frankfurt/Main, London, Paris, Luxembourg and at Kredietbank, S.A. Luxembourgeoise, Luxembourg, by check on a dollar account, or by a transfer to a dollar account maintained by the payee with a bank in New York City.

On and after October 15, 1980, the date fixed for redemption, interest on said Bonds will cease to accrue. Coupons maturing on or prior to October 15, 1980 should be detached from said Bonds and presented for payment in the usual manner.

For ELECTRICITY SUPPLY COMMISSION
CITIBANK, N.A.
as Fiscal Agent

October 1, 1980

WORLD TRADE NEWS

Bulgaria nears agreement on joint venture deals

BY STEPHANIE GRAY IN PLOVDIV

BULGARIAN enterprises are expected to sign four agreements under the country's much vaunted joint venture legislation before the end of the year, and negotiations are continuing on a further 20 to 30 contracts, according to the Bulgarian Industrial Association.

The four all but settled partnerships are believed to be for production of electronic equipment and for the setting up of companies to operate in third countries. But, with negotiations at such an advanced stage, details of foreign shares and repatriation of profits arrangements were unavailable.

The joint venture mechanism, unmatched by any other Eastern bloc state, was announced a year ago as "joint production association."

Offering, in the theory, the opportunity for up to 99 per cent foreign participation, it raised considerable interest among companies seeking access to the Comecon market and was the subject of a decree by the state council in April.

Motivation for such a move, aside from the perennial hard currency deficit problem, is the need for expertise in high technology both to boost industrialisation and improve Bulgaria's performance as the state responsible for supplying the rest of Comecon with electronic products.

However, the scheme has failed so far to allay some of the sceptimism of many Western businessmen. While there have been many assurances, some British companies exhibiting at last week's Plovdiv International Trade Fair remained to be convinced about provisions for repatriation of profits in hard currency.

They also had reservations about the quality of Bulgarian production, the veto power to be exercised by the Bulgarian partners and the slowness of decision-making.

For their part, the Bulgarians maintain that some of the capitalist enterprises have been interested in the mechanism *purely as a means of dumping* their elderly and obsolete machinery.

Nevertheless, West Germany, the country's most important Western trading partner, is particularly interested in taking advantage of the new system. Bonn has sought government-to-government agreement guaranteeing West German interests under the legislation. However, in an initial move, Bonn presented a checklist to the *Zhivkov Government* "many months ago" and is still awaiting a response.

The Bulgarian Industrial Association, which is to co-ordinate proposals, maintains that, as the mechanism has been in operation for only six months, it is too early to expect firm results. Much research is still needed and, being new to the business of arranging such partnerships, any ventures must *be approached with caution.*

In spite of the problems, however, the opportunities for the West are undeniable. Apart from access to Comecon markets, especially in electronics, the possibilities of *using Bulgaria's considerable* political and business prestige in third markets like Syria, Libya and Iraq remain significant.

Big aluminium expansion seen

BY ROY HODSON

STRONG CONFIRMATION that *the major aluminium producers* expect the 1980s to provide the best profit levels in their histories came from senior officers of Kaiser Aluminium in London.

Kaiser considers the western world industry has the financial capability to support a £58bn capital programme during the decade—£42m for new plant capacity and £16m for modernisation of plants and energy-saving improvements.

Mr. J. G. Churchill, Kaiser's Treasurer, International Operations, said: "Since we expect a good economic environment for our industry we think it is reasonable to expect a very good return on funds invested in the business. A good rate of return will generate adequate profits, which in turn will provide a large portion of the funds needed to finance the industry's capital requirements."

Mr. William Hobbs, Kaiser's vice-president and treasurer, forecast that a 15 per cent return on invested capital "could reasonably be expected" throughout the aluminium industry while the capital spending envisaged would allow the industry to expand production at a rate of about 4 per cent a year.

Mr. Hobbs believes the industry will be able to finance the major portion of the expansion from retained earnings. He said the decade should show good earnings performances due principally to a balance between supply and demand which would be favourable to the producers, and would result in strong prices.

The near £60bn 10-year Western world aluminium programme predicted by Kaiser takes account of the current round of alumina and smelter developments in Australia, together with smaller additions to capacity in the traditional aluminium producing areas, and some new plants in other parts of the world where cheap power can still be found.

Within the industry there are growing expectations that the Australian aluminium boom will be followed by investment during the second half of the 1980s and beyond in South America—mainly in Brazil.

Kaiser estimates that the cost of building new greenfield capacity for the industry will be about £3,000 (at 1980 prices) for each annual tonne of finished aluminium metal capacity. That figure includes the opening of new bauxite mining, construction of a new alumina refinery, building a new primary metal smelter, and adding fabricating plants to use the metal.

There is not likely to be a shortage of bauxite or alumina production during the 1980s. The industry's main concern is that the long lead times involved in building some smelters, and the problems of finding smelter sites with matching power supplies, could cause bottlenecks in metal production.

Kaiser is forecasting that on at least a similar scale most new smelters will be undertaken as joint ventures between international companies.

Australia, U.S. closer to anti-trust accord

By Paul Cheeseright

THE AUSTRALIAN and U.S. Governments have edged closer to a bilateral agreement designed to avoid friction on anti-trust matters.

Negotiations have been taking place since the summer following private actions in the U.S. against Australian uranium companies and a U.S. Justice Department investigation involving *Australian shipping lines.*

Senator Peter Durack, the Australian Attorney-General, said in Canberra yesterday that he had just received a letter from Mr. Benjamin Civletti, his U.S. counterpart, fortifying him in his view that an agreement would be of the greatest importance.

An agreement would lay down a framework for consultation about the national interests involved before court proceedings are started. The agreement could become a model for other countries to follow.

Mr. Civletti's letter and the talks which preceded it mark an attempt to reduce the tension arising from attempts to assess U.S. anti-trust jurisdiction outside U.S. borders, sometimes at the expense of the sovereignty of other nations and of foreign companies.

Tension climbed when Westinghouse Electric accused CRA, Mary Kathleen Uranium, Pancontinental Mining and Queensland Mines —all Australian companies— among 29 U.S. and foreign uranium producers of being involved in a cartel and sought treble damages.

Treble damages involve compensation for injury multiplied to include a penal element. In the Westinghouse case, the Australian companies with others from the UK, Canada and South Africa were all acting within their domestic laws and were operating outside the U.S.

***The current talks between* the U.S. and Australia have, at their heart, the desire to ensure a mutual respect for national sovereignty.**

But, Senator Durack said, "Questions of sovereignty or comity between nations should not hinge upon the decisions of private litigants whether plaintiff or defendant."

WORLD OIL SUPPLIES

War strengthen's Mexico's hand

BY WILLIAM CHISLETT IN MEXICO CITY

THE WAR between Iraq and Iran, two major oil producers in the volatile Middle East, is strengthening the hand of Mexico as it pushes ahead with its novel policy of linking oil sales to general economic co-operation.

Mexico, now the world's fifth largest oil producer with production of 2.4m b/d, is a *secure source* and the country is not a member of OPEC, two increasingly important factors for oil importing nations as they look to the uncertain future of oil supplies.

To the question "What is the price of a barrel of oil?" Mexico is replying that it is worth more than the prevailing market rate. And there is no doubt that the war has given the question a fresh urgency.

In the last two years, Mexico has burst on to the oil scene and made a significant impact on the world oil market.

And since it is now generally acknowledged that Mexico has the potential to be one of the world's top producers in the next decade *oil importers are* looking more and more to the country for long-term supplies.

Given the fact that Mexico has a strong oil card to play, the country's actual and potential clients are already finding that the new investment-linked policy, quietly initiated in the summer, requires more than lip-service.

Like it or not, Japan, Canada, France and Sweden, the main butts of the policy, are learning that Mexico expects more than $34.50 a barrel, its current export price, for a firm commitment.

The U.S., however, which is Mexico's major export client, is not included in this policy because Mexico wishes to diversify away from its large dependence upon its giant northern neighbour into Far Eastern and European markets.

The U.S., anyway, has said that it will not buy the policy and regards oil sales as a straight commercial matter.

Mexico intends to sell its oil to those countries which not only pay the going rate but are also willing to invest in priority areas, such as in agroindustry, offer technological expertise and ease the way for Mexico's non-oil exports.

"What we are saying is come and participate in the growing Mexican economy," said a Trade Ministry official.

"Look at what the Saudis are doing," he said, referring to the idea mooted by Saudi Arabia that Western oil companies, which take equity stakes in large Saudi refinery and petrochemical projects, might get an extra 500 b/d for every $1m they invest.

The Mexican economy is already overheated from the sudden flood of petrodollars. The Government believes that its policy will enable it to better weather the problems of petrodollar inflation, since increased investment in certain areas will boost the country's productive capacity and, therefore, its ability to absorb usefully its oil revenue.

But in return for investing, no changes at all are envisaged in the foreign investment policy which restricts participation to 49 per cent.

Critics of the policy ask how Mexico can wield the oil weapon successfully when it has boxed itself into a corner by saying that it will limit oil production to 2.7m b/d, its current platform.

Mexican officials say that the more Mexico is able to handle its petrodollars productively, the better position it is in to increase oil production.

Japan's arm is being twisted the most in this policy, which involves a strong element of playing off the countries concerned against one another.

The reason is twofold. First, the Japanese public and private sectors work together more harmoniously than in most other countries and so the policy, which demands that Governments influence businessmen to come to Mexico, stands a better chance of success.

Second, Japan, by virtue of its acute reliance on the Middle East, is most anxious to plug itself into the Mexican oil supply. It has a contract for 100,000 b/d and wants 300,000 b/d as soon as possible and so is more susceptible to the Mexican policy.

The debate between the two *sides has been intense.*

Mexico requested Y100bn (£197m) concessionary financing for the expansion of its Sicartsa steel mill and Japan has only offered Y33bn plus an extra *Y200bn from its export-import* in less favourable conditions.

Japan made the offer on condition that it got the bulk of the $2.2bn (£924m) Sicartsa project. Mexico wants several countries involved.

Finally, agreement was reached last month between Kobe Steel and Sumitomo to set up two specialised joint venture projects. But there is still no written agreement that Japan will receive its extra 200,000 b/d.

But in the case of Canada and France the issue is less clear. Canada has only got a promise of 50,000 b/d instead of the expected 100,000 b/d with anymore linked to increasing its small presence in Mexico — its $109m investment represent 1.9 per cent of total foreign investment.

There has been a sudden upsurge in Canadian trade missions and Canada is holding out its Candu nuclear technology as the answer to Mexico's desire to build up a nuclear industry.

Candu has the advantage that it uses natural and not enriched uranium, and Mexico has plenty of its own uranium.

France, meanwhile, is somewhat bemused by the policy. Mexico is preparing a project for its consideration, but it has not yet divulged what it will be.

MEXICO'S CUSTOMERS 1981

Country	B/D
U.S.	733,000
Spain	260,000
Japan	150,000
France	100,000
Central America	80,000
Sweden	70,000
Canada	50,000
Brazil	50,000
Israel	45,000
India	20,000
Yugoslavia	3,000
Total	1,561

Source: Pemex and Oil industry sources.

SHIPPING REPORT

VLCC rates cut

BY OUR SHIPPING CORRESPONDENT

THE WAR between Iran and Iraq continues to overshadow the world's shipping markets. Dry cargo rates have generally held relatively steady, but bunker prices are rising because of the fighting, and *ship owners* are becoming nervous.

The market for very large crude carriers (VLCCs), the major carriers of Gulf crude, has seen a slump in rates over the past 10 days. Reduced oil supplies from Iran and Iraq have led to a drop in demand for VLCCs, and rates for the Gulf/Europe voyage have dropped from Worldscale 45 a fortnight ago to Worldscale 30.

Shipbrokers Galbraith Wrightson estimate in their latest tanker market report that something like 8m tons a month has been lost from Iraq's Gulf *ports alone—equivalent to 32* VLCCs.

Although other countries have increased production somewhat, the falling number of tankers needed has added to the chronic surplus of VLCC tonnage.

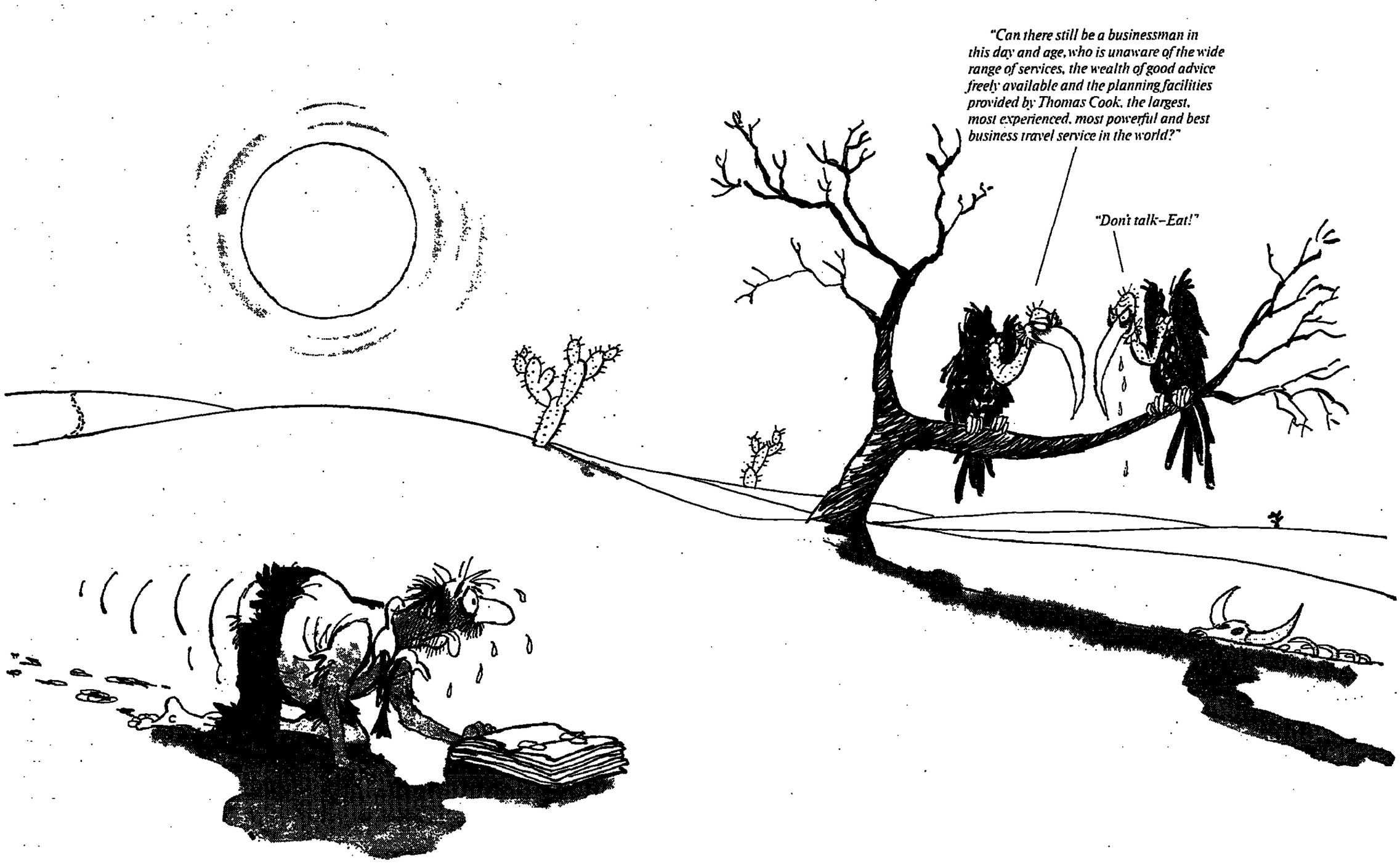
In the dry cargo markets, there is no sign yet of combination carriers (capable of carrying oil and dry bulk cargoes) flooding back into the market

WORLD ECONOMIC INDICATORS

UNEMPLOYMENT

		Sept. 1980	Aug. 1980	July 1980	Sept. 1979
U.K.	000s	2,037.0	2,001.0	1,896.6	1,264.0
	%	8.4	8.3	7.3	5.2
		Aug. 1980	July 1980	June 1980	Aug. 1979
U.S.	000s	8,019.0	8,207.0	8,006.0	6,149.0
	%	7.6	7.8	7.7	6.0
W. Germany	000s	865.0	853.2	781.4	799.0
	%	3.3	3.3	3.0	3.1
Holland	000s	261.5	248.3	221.8	218.0
	%	6.1	5.8	5.2	5.3
France	000s	1,374.0	1,330.1	1,296.2	1,405.9
	%	6.1	5.9	5.8	6.1
Belgium	000s	417.0	397.4	335.7	381.0
	%	10.4	9.9	8.4	9.5
Italy	000s	1,671.0	1,681.0	1,710.8	1,571.0
	%	7.6	7.6	7.8	7.1
		July 1980	June 1980	May 1980	July 1979
Japan	000s	1,120.0	1,050.0	1,090.0	1,160.0
	%	2.0	1.9	1.9	2.2

Source for EEC countries: Eurostats



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Guy de Jonquières lists the ingredients which have soured Kenwood's recipe

Export setbacks add to blend of distress

HARRY TRUMAN, the former U.S. President, once observed that if you can't stand the heat, you should get out of the kitchen. For Kenwood, Britain's biggest manufacturer of food preparation equipment, the aphorism strikes uncomfortably close to home.

For the past year, the company has suffered a remorseless economic squeeze. Normally one of the most profitable parts of Thorn Domestic Applicances (TDA), its sales and margins have fallen sharply and short-term borrowings have risen rapidly.

Kenwood's main plant at Havant, near Portsmouth, has been on short-time working since May and a smaller factory at Weymouth, Dorset, will close in mid-December. So far about 400 workers have been made redundant, and the number is due to grow to 750 by the end of the year, roughly a third of the total labour force.

Kenwood, if it survives, may emerge a leaner company. But overmanning is not its main problem. Indeed, the management believes that the current shock treatment could impair, not enhance, efforts to improve longer-term productivity.

Keith Miller, TDA's chairman, is in no doubt about the prime cause of the company's woes. He blames the Government's economic policies, particularly the high exchange rate. Kenwood exports about 40 per cent of its production. But in some overseas markets the rising pound and Britain's high inflation rate have added as much as a third to its prices in the last year.

The company's dilemma is summed up by the offer earlier this month by the 260 workers at its Weymouth plant to take a £10 per week pay cut to keep the factory open. But during August the rise in the exchange rate had already wiped out the savings which Kenwood would have made in a whole year if the offer had been accepted.

Its export problems have been made worse by a collapse of demand in Denmark and Sweden, traditionally two of its biggest markets, due to the stringent deflationary policies in force there. It is also worried by an influx of East German-made food mixers into EEC markets which, the company says, are being sold at far below economic prices.

At home its sales, like those of most other domestic appliance manufacturers, have been weak since late last year, when the usual pre-Christmas buying spree failed to materialise. As a result, its own and dealers' stocks began to mount alarmingly. By late March, emergency action was imperative.

At first, the company tried to promote sales, offering cash rebates to retail customers. It succeeded in clearing stocks, now at their lowest for many years. But the tactic proved expensive and failed to generate enough demand to prevent sharp cuts in output, now at about 60 per cent of capacity. Only a couple of years ago, it was close to 100 per cent.

The management admits that it delayed production cuts for as long as possible "because we never thought things could get this bad." It also seems concerned for its predominantly female workforce, towards whom its attitude is somewhat paternalistic. Where possible, it has relied on natural wastage rather than on forced redundancies.

Its employees, about half of whom are union members, appear remarkably loyal to the company and its products. Few seriously dispute the management's assessment of its financial position, and over the past two years they have accepted pay settlements totalling only 23 per cent, well below the rate of inflation.

This moderation is a mixed blessing. While it has kept payroll costs in check, it means that Kenwood's wage levels have fallen behind those of other local employers. Some who have left for jobs elsewhere have been skilled staff, who may be hard to woo back when times improve.

The company's suppliers, most of whom are UK-based, have been hard hit by the recession. Mr. Denis Cockram, manufacturing director, says many have cut their prices to the bone to attract business. Some are clearly submitting distress bids, and Mr. Cockram is worried about how much longer they can survive.

Kenwood has frozen indefinitely the bulk of new capital investment plans. Frills have gone, too. No company cars will be replaced this financial year, and first class air travel has been cut to the minimum. Offices and factories are cleaned only every other day, and wine and spirits are no longer served in the directors' dining room.

KENWOOD

Kenwood is a subsidiary of Thorn EMI so no separate company figures are available

The two areas so far spared the knife are export marketing and research and development. The company is proud of its reputation for quality engineering and aware that its long-term survival depends on maintaining and expanding its market share overseas.

Export prospects are not entirely bleak. Sales in West Germany, the Benelux countries, Norway and Finland have held up well and are rising strongly in South Africa. Kenwood recently started shipping Chef mixers to Sharp, the big Japanese manufacturer of consumer electrical and electronic products. Sharp will sell the mixers under its own name in Japan—at about double the UK retail price.

Kenwood is also pressing ahead with a £½m plan to double its marketing and distribution network in France and hopes to benefit from a growing U.S. appetite for sophisticated home cooking. "For us, France should really just be an extension of the Southern Electricity Board area," says Mr. Miller.

The timing could have been better. Consumer spending in both France and the U.S. remains weak, with few signs of an early upturn. A more fundamental question is why Kenwood waited until now to beef up its sales effort in these markets.

The answer seems to be that, until recently, it had felt no compelling need to do so. For many years it has enjoyed bulging order books, particularly for its Chef mixer. The machine is the flagship of a product line which includes blenders, toasters, electric stew-pots, kettles and deep fryers.

But the volume of Chef sales has stagnated for the past three years, after reaching a peak in 1977-78. Kenwood says the Chef is still supreme in its field, but it appears to have lost ground to compact food-processors like the French-made Robot-Coupe, whose ease of use is a strong selling point.

Kenwood tacitly acknowledges the food-processor challenge by marketing under its own name two models imported from Japan. It plans to start manufacturing one of its own designs which, it says will be superior to anything now available. As a relatively late entrant into the market, however, its success is not assured.

The company is reassessing some other planned products. It says the strength of sterling has brought into question the economics of launching into fresh markets where there is already strong competition from foreign-made products.

Kenwood says it has managed to hold on to its share of most of its existing markets, though

it is coy about giving precise figures. There is some cold comfort in the fact that few competitors are faring particularly well and some, such as Moulinex of France, are encountering serious problems.

The company is operating on the assumption that business conditions must improve, though it can see no break in the clouds yet. "Mrs. Thatcher is sticking so tenaciously to her policies that there is a danger that there won't be any industry left to revive," says Mr. Miller bitterly.

But it is worried that the scare of its current ordeal will blemish business. Skilled workers have left, inhibiting its ability to expand output quickly. The speed of expansion will also be governed by the state of its suppliers, two of whom have gone into liquidation in the past few months.

Arguably most critical of all, the moratorium on capital spending is unlikely to help Kenwood improve its long-term competitive position. "We can increase output by hiring more labour," says Barry Dodd, finance director. "But without investment in plant, there is unlikely to be a significant increase in productivity."

BA studies heliports for big city centres

By Michael Donne, Aerospace Correspondent

BRITISH AIRWAYS, which is buying six 44-passenger Boeing Chinook helicopters for its North Sea operations, is studying the possibility of purchasing a bigger 68-passenger version.

Captain Jock Cameron, managing director of British Airways Helicopters, says that this developed version of the Chinook could be available by 1984 (the smaller 44-seater enters service this winter).

It would be capable of carrying passengers on routes from London to Paris, Brussels, Amsterdam, Rotterdam and the Channel Isles.

"No longer will the travelling public have to fight their way through overcrowded airports to reach destinations less than 200 miles away," he said.

"This naturally brings up the question of heliports in, or convenient to, city centres. In London, there is a site three miles from the City in the West India Dock. This site has, or will have, excellent road and underground communications. It is large enough to cope with the expected demand between the mid-1980s and the end of the century.

"Such a scheme will assuredly bring prosperity to an area which is at present in great depression. This heliport could cope with up to 3m passengers a year."

Captain Cameron says the bigger, 68-passenger helicopter would also be of benefit to internal routes.

Britannia Airways, the independent UK holiday flight operator, is buying U.S. General Electric engines for its new fleet of Boeing 767 new-technology airliners.

Britannia has ordered two 767s, with an option on three more aircraft, with delivery starting in 1984. The engines will be GE's CF6-80A's of 48,000 lbs thrust each. The value of the deal, if the options are exercised, is about $50m (£21m).

Tourism campaign

SCOTLAND is missing out on the American foreign holiday market, according to Mr. Alan Devereux, chairman of the Scottish Tourist Board. Speaking in Houston, Texas, at the start of a Scottish tourism sales mission to the U.S., he argued that a potential visitor "has to be a Sherlock Holmes to get information."

There has been a long campaign within Scotland to divorce its foreign tourism promotion from the British Tourist Authority. Mr. Devereux's remarks might be seen as fuel for this campaign.

£1m factory

WORK starts in Northampton today on a new £1m factory to build toy trucks for the U.S. company Fisher-Price. It will be completed next year, with a workforce of more than 80.

Open minds

MR. CHARLES HAUGHEY, the Dublin Premier, who is to meet Mrs. Thatcher soon for talks on Ulster, stressed yesterday that his Government was ready for new ideas on the crisis.

He told a meeting in County Donegal a few miles from the Irish border: "Our minds are not closed to any realistic proposals or suggestions." His Government was ready to adopt "an open and imaginative approach" in constitutional and legislative fields.

Cuts sought

BIG SAVINGS in Government, including the abolition of the Civil Service Department and 10 per cent staff reductions, are sought by Mr. Cyril Taylor, a Conservative Councillor in the Greater London Council.

In a manual directed at MPs and councillors, he suggests that the Departments of Industry and Trade should be combined as part of measures saving £5bn a year.

Pension delay

THE GOVERNMENT is to delay this year's pension rise by a further week. Sir George Young, Under-secretary for Health says in a letter to Mr. Ben Ford, Labour MP for Bradford North, that the delay until November 24 is one of a number of "very unpalatable decisions" the Government North, that the delay to Mr has had to take.

Pension rates are to go up from £23.30 a week to £27.15 for a single person and from £37.30 to £43.45 for a married couple.

Blast shelter

LONDON'S FIRST communal nuclear fall-out shelter is being built in Chiswick to house up to 56 people—with space being offered at £1,300 a head.

"This is to protect people who have paid for places," said Alguard Shelters. "We don't want people trying to push their way in if there is a nuclear blast."

'Money growth aim unrealistic'

FINANCIAL TIMES REPORTER

INCOMPATIBLE Government policies are the cause of the UK's current monetary problems, say stockbrokers Phillips and Drew in the latest edition of the firm's "Economic Forecasts."

It says that the 7 to 11 per cent a year target for sterling M3 growth was "never really a practicable possibility, given the Government's early decisions to double VAT and retain the Clegg Commission, which ensured that public sector pay kept up with that in the private sector

"These decisions helped boost the rate of inflation to over 21 per cent and the demand for money followed the price level upwards. In these circumstances, any serious attempt to impose 11 per cent monetary growth on the economy, whether through even higher interest rates, or more public expenditure cuts, would have resulted in an intolerable number of bankruptcies and redundancies. An already deep recession would have been exacerbated to an extent that no government would have wished to tolerate."

Phillips and Drew explain how the operation of the "corset" restrictions on money supply growth disguised the incompatibility of different policy objectives. "The mounting demand for money, which was basically generated by rising inflation, was channelled into the Euro-sterling market, and into acceptance credit. It therefore failed to appear in the official £M3 statistics until the 'corset' was lifted in June."

However, the stockbroking firm argues, it is unfair of Ministers to blame the Bank of England for the "corset" distortions. "Because of the lack of up-to-date information about the Euro-sterling market, there was virtually no way that the Bank, or anyone else in the City, could have obtained accurate data."

In any case the "corset" was not responsible for the fundamental problem. Given the high underlying inflation rate, the problem sprung from setting an unrealistic £M3 target.

Phillips and Drew reckon that the annual growth rate of £M3 will probably remain about 15 per cent to the end of 1980, subsiding to slightly under that by next April. It expects the authorities to re-estimate the February 1980 base for the £M3 guideline to take account of distortions due to disintermediation, and to extend the 7-11 per cent growth range to October 1981.

Over the months ahead, £M3 would be a poor guide to policy. "Rising unemployment, the strong exchange rate and hopes of wage moderation are likely to encourage the authorities to reduce MLR further before the end of the year.

"Next year, the continuing recession is likely to allow additional cuts in MLR. But a firmer interest rate trend could well be established by the first half of 1982 as economic activity recovers and inflationary pressures persists."

Cut-price coach fares law in force today

BY ANDREW TAYLOR

LEGISLATION WHICH has already prompted an "airline-style" price war between private and nationalised coach operators comes into force today.

The 1980 Transport Act extends considerably the freedom of private coach operators to compete with public transport on national and local bus routes.

National Express, part of the state-owned National Bus Company, has already introduced cheap standby fares on more than 70 routes as part of its campaign to stave off cut-price competition from private operators.

The scheme was introduced last month following the announcement of a new fares structure by British Coachways, a consortium of private operators led by the Grey-Green bus company.

From today, British Coachways plans to run services from London to a number of provincial centres. Its tariffs include a £2 single fare to Birmingham.

Under, the terms of the law, which received Royal Assent in July, the traffic commissioners will no longer be able to prevent private operators from competing on national routes provided safety standards are met.

The Act also removes restrictions on private companies seeking to compete with council-run services on local routes. The legislation provides for trial areas to be established where private coach companies will be free to run services without a licence.

The Act is intended also to promote car sharing schemes. These are already permitted under previous legislation—but from today, vehicle owners and operators are allowed to advertise sharing schemes. Restrictions on commuters forming their own coach-hiring clubs are lifted.

These developments are likely to hit both National Bus Company and British Rail services. BR recently announced a new compaign to attract travellers by cutting the cost of its Family Travel Card from £16 to £5.

The National Bus Company has warned that cut-price competition could lead to the axeing of a number of uneconomic routes which, in part, have been subsidised by fares on the more profitable services.

Rising prices 'drive beer drinkers from the pub'

BY ARTHUR SANDLES

RISING PRICES are driving the British beer drinker away from the pub, according to the drinking person's pressure group, Camra, the Campaign for Real Ale.

"The simple equation of high prices meaning fewer customers drinking fewer pints has struck home," says Camra. It says beer prices have risen four times in just over a year and in the past two months most major breweries have put up prices by as much as 5p a pint.

Pub landlords are realising that if beer prices continue to increase at the present rate they will be in a disastrous position. Beer consumption is down 14 per cent compared with last year, says Camra.

A nationwide survey by Camra found landlords angry about a supermarket price war leaving them at a disadvantage.

Mr. Brian Beard, a London Ind Coope landlord, is quoted as saying: "It is about time the breweries got their heads out of the sand. If they want pubs to survive they will have to have a rethink. I have seen five licensees go bankrupt in the past year."

Election pledge 'not kept'

BY ANDREW TAYLOR

THE GOVERNMENT has been accused by construction industry employers of failing to live up to its election pledge—to trim the public sector and stimulate private enterprise.

Mr. Jack Seeley, vice-president of the Federation of Civil Engineering Contractors said: "Some form of stimulation is essential to allow the private sector to expand and to take up some of the unemployment currently making headlines."

Mr. Seeley, speaking to federation members in Manchester, attacked the Government's record on its promise to cut back the public sector. "The fact remains that reductions in the staff of local councils have so far amounted to only 21,000 full-time workers out of 2.5m employed.

He also accused the Government of failing to introduce adequate measures to ensure free competition between private contractors and direct labour organisations employed by local authorities.

He said that o nhighway work the Government had proposed that only contracts worth more than £100,000 should be subject to competitive tendering

Mr. Seeley said that despite strong protests from construction employers some local authorities were still writing provisions into contracts "which effectively impose a trade union closed shop on contractors working for them."

CORRECTION NOTICE

We apologise for the incorrect information published in the World Value of the Dollar Table on Friday October 3rd. Amended Table appears on page 27.

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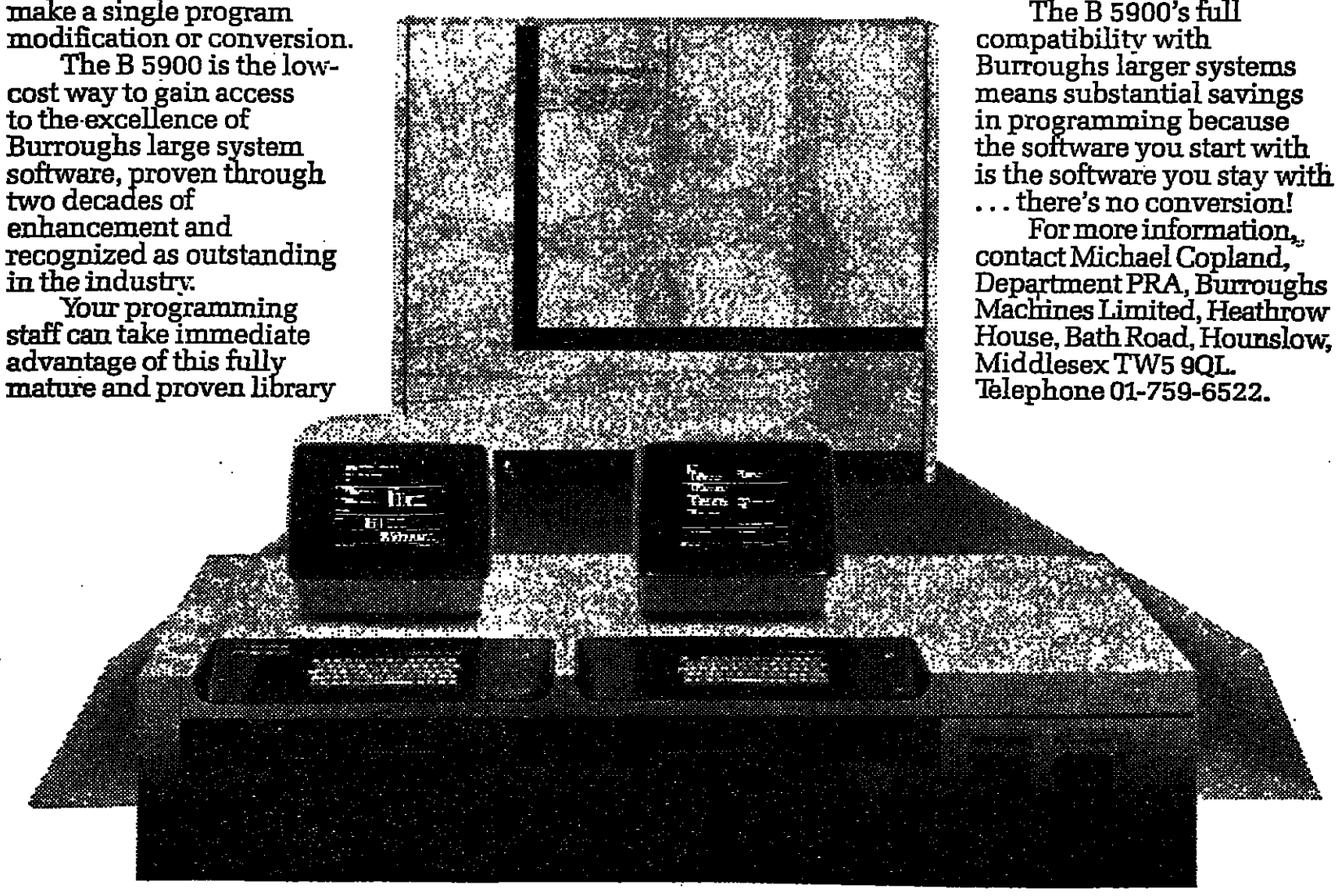

Burroughs

Manning dispute hits Tyne rescue

BY OUR SHIPPING CORRESPONDENT

MR. ROBERT BUTLER, who heads successful Glasgow ship repairers Clydedock Engineering, has abandoned plans to reopen the Tyne Dock Engineering ship repair yard because he has been unable to reach agreement with the unions involved.

Mr. Butler had planned to employ 50 men initially and build up to 250 in a year's time. Tyne Dock had stopped trading in March with the loss of 350 jobs, and Mr. Butler's plans seemed the only hope for saving the ship repair facility.

He had hoped to repeat his success with Clydedock, which he rescued from bankruptcy, and has now built up into an operation employing more than 300 and making profits of £300,000 on a turnover of £4.6m.

However the unions on Tyneside have baulked at the manning conditions which he has insisted on before reopening the yard.

Speaking from Glasgow yesterday, Br. Butler said: "We have done a good job up here and we know the terms and conditions on which we can make Tyne Dock work. If I was to accept the Tyne conditions, it would be irresponsible."

Mr. Butler used to head British Shipbuilders ship repair side before branching out on his own.

His terms are understood to have included a flexibility of labour clause, a refusal to guarantee employment at the yard for a year, and an unwillingness to take on casual labour for a minimum of five weeks.

Mr. George Arnold, Tyne area chairman of the Confederation of Shipbuilding and Engineering Unions, said yesterday that Mr. Butler was being unreasonable. "We are not Luddites," he said.

He added that if Mr. Butler opened on Tyneside on his terms then up to 1,000 other ship-repair jobs could be in jeopardy.

Mr. Butler said that this comment was a "terrible admission" and implied that his operations were 20 times more efficient than those of existing ship-repair yards on the Tyne.

"There is no way I can reopen Tyne Dock Engineering under the same terms that apply in other yards on the river," said Mr. Butler. But he was prepared to look at the proposition again if there was a change of heart by the unions.

Industrial action in prisons to go ahead

By Our Labour Staff

PRISON OFFICERS are due to begin disruptive industrial action today over a long-standing dispute involving a claim for meal-break payments.

Mr. Peter Rushworth, deputy general secretary of the Prison Officers' Association, said yesterday the union had received no further communication from the Home Office during the weekend and the planned action would therefore go ahead.

Mr. William Whitelaw, Home Secretary, again ruled out the chance of the dispute going to arbitration when questioned before the weekend.

Association officials would not reveal the precise nature of the action due to start today, so that the Home Office could not prepare proper contingency plans to counter it.

Mr. John Bartell, acting chairman of the association, said yesterday the action was aimed at Home Office administration and finances.

It is believed it could include a refusal to supervise work involving outside contractors and work on prison farms.

Key talks on Times' computer plans

BY JOHN LLOYD, LABOUR CORRESPONDENT

TALKS TOMORROW between the management of Times Newspapers and officials of the National Graphical Association are likely to usher in the introduction of computerised printing in the group—two years after the beginning of the abortive year-long closure which was aimed at achieving it.

Mr. Dugal Nisbet-Smith, managing director of Times Newspapers will meet Mr. George Jerrom, the NGA's national officer with responsibility for Fleet Street, to "iron out a few remaining problems," as Mr. Jerrom put it yesterday.

Both men believe that an agreement will be signed to allow the first TNL publication to adopt computerised typesetting — the Times Literay Supplement—to go live "within days."

Thereafter, says Mr. Nisbet-Smith, the extension of computerised systems to the remaining supplements, to The Times and the Sunday Times should proceed "raily smoothly."

However, the changeover to computerised systems from existing "hot metal" technology will be largely on the union's terms.

The management sought through the stoppage to establish the principle of editorial and advertising staff "keying in" their copy to the computer, thus cutting out the compositor. That principle was dropped, and a two-year moratorium has been put on further discussions.

The discussions tomorrow will centre on agreements which TNL would like to see signed in the machine and stereo departments, where the management wants to ensure continuous and efficient handling of the computer-set material produced by NGA members in the composing room.

The NGA has already agreed the major part of the deal, which "buys out" the piecework of its 149 compositors.

They will transfer from rates which could give them over £300 a week to a flat rate of £227.50 a week after receiving sums varying from £4,000 to £19,000, depending on length of service.

Once this agreement is completed, negotiations will begin on TNL's 12.5 per cent pay offer to its 3,500 printing and clerical staff.

In August, TNL paid its 500 journalists an annualised 18 per cent increase (21 per cent over 18 months) after a one week strike.

The print unions, which have put in claims for substantial increases, have continued negotiations over the offer while insisting it must be considerably improved.

Mr. Nisbet Smith described it as "somewhat like BL's 6.1 per cent offer—more than we can afford, but we haven't said its final."

Manual workers 'suffer lower sick pay'

BY ERIC SHORT

THERE IS a consistent pattern of discrimination by employers against manual workers in the provision of sick pay schemes, according to a Labour Research Department survey of sickness benefit.

The survey was carried out in association with the Transport and General Workers' Union, the Amalgamated Engineering Workers, and the General and Municipal Workers' Union.

The LRD analysed 414 sick pay schemes covering about 9m employees in every sector of the economy.

On average, this shows that in many schemes manual workers had to serve longer periods to qualify for the benefit, had to be off work for more days to receive the benefit, got less uncertificated leave and shorter overall entitlement, and received a smaller proportion of their normal earnings while sick.

The LRD believes this is unjustifiable and scandalous.

The handbook also details the current levels of sickness benefit under the present Social security system and describes the Government's plans for making employers responsible for paying the first eight weeks of sickness.

LRD adds its voice to the TUC and individual trade unions in bitterly criticising the Government's proposals.

It says that not only will they dismantle the social security system, but also involve a sharp drop in sick pay for the most vulnerable of employees and make backward employers even more reluctant to employ the disabled.

The only guarantee of income security during illness is a good negotiated sick pay scheme.

Sick Pay—A Negotiator's Guide from the Labour Research Department, 78, Blackfriars Road, London SE1 8HF, price £1 per copy to trade unions and labour organisations and £25 to others.

Agricultural workers may merge with TGWU

By Our Labour Staff

PRESSURE is growing in the ranks of the agricultural workers' union to resolve the union's present financial difficulties by an amalgamation with Britain's largest union, the Transport and General Workers.

The National Union of Agricultural and Allied Workers has called an emergency meeting for next month to put to members the union executive's proposal for a 40 per cent increase in subscriptions.

Farm workers are among Britain's lowest-paid. Basic pay rose above £50 only in the last pay round.

● Union leaders will meet this week with senior Bowater management to discuss the disclosure by Ministers to unions last week in a Downing Street meeting that "tens of millions of pounds" were available to help the company, which plans to close its Ellesmere Port plant.

● Meetings of union branches at the London Evening News, which is due to be closed at the end of the month, begin today to consider responses. Unions also hope to secure a joint meeting with representatives from both Associated Newspapers and Express Newspapers.

Motor Show launch for Peugeot diesel

BY KENNETH GOODING, MOTOR INDUSTRY CORRESPONDENT

PEUGEOT HOPES to revive its flagging fortunes in the UK with the launch at the Birmingham motor show next week of a range of 305 estate cars, including a medium-sized diesel estate for the first time.

The UK estate car market is the largest in Europe. Last year's sales of estates accounted for 12 per cent of total new car registrations, or about 200,000 vehicles.

This compared with 120,000 or 6 per cent of the French market, 135,000 or 5 per cent of the market in Germany and

More UK news Page 25

suggests that this country leads Europe in estate car sales because "most of the British live in the country while most continentals live in town."

However, the British dog lover also has an influence. Peugeot's research shows that 24 per cent of the owners of its estates have dogs, and the company has a profitable sideline selling an annual 6,000-7,000 dog guards for fitting in the estates.

This year, Peugeot's sales in Britain have fallen twice as fast as the overall market, and are likely to be 25 per cent down at the year end—from 40,000 to 30,000.

One reason is that the 305 saloon, when it was first introduced to the UK, was overpriced. Peugeot has held the price for some months as other manufacturers increased theirs and as inflation took its toll—so that Mr. Hassid believes that now the price is where it should be.

The group's estate car sales have dropped, and will probably be down from 9,000 to 5,000 this year. The reason is that the 304 estate is ageing, and potential customers knew the 305 replacement would not be long in coming.

Ford sold 78,000 estates last year, BL 38,000, Datsun 15,000, Volvo 11,000 and Talbot and Vauxhall 10,000 each.

Even before the decision to combine the Peugeot and Talbot sales networks in Europe, Mr. Hassid forecast that Peugeot's sales of estates in the UK would bounce back to 9,000 next year —as a result of the introduction of the 305 estate range.

Prices start at £4,575 to £5,250 for the petrol-engined versions, and £5,320 for the diesel estate —only the second medium-sized diesel estate on the British market, the other being the Volkswagen Passat LD estate.

Poster monopoly report is postponed until May

BY OUR CONSUMER AFFAIRS CORRESPONDENT

THE Monopolies and Mergers Commission has been given extra time to complete its investigation into roadside poster advertising.

The investigation, launched two years ago, should have been finished this autumn, but the commission has now been given until next May to complete its report.

Extensive delays in investigations by the commission are now becoming usual for full-scale monopoly inquiries although the first of the new Competition Act investigations —into British Rail's commuter services in the south-east—was completed in a record five months.

This report, published last week, was also the longest ever produced by the commission.

Apart from other investigations under the Competition Act — into the electricity and water industries—the commission is shortly to be asked to carry out monopoly inquiries into the car spares industry and the milk distribution system in the UK.

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Technical Page

EDITED BY ARTHUR BENNETT AND ALAN CANE

● SECURITY

Keeps unwanted guests at bay

THE UBIQUITOUS microprocessor is once more brought to bear, this time in two security control equipments launched by Cardkey Systems of Reading, subsidiary of the U.S. corporation of the same name.

There is a growing acknowledgement by equipment makers of all kinds that their traditionally fixed-function systems, be they scientific instruments or cash registers, can be made startingly versatile by using the software approach.

It is worthwhile re-stating what this means: that instead of the device being permanently wired (or even mechanically arranged) to behave always in the same fashion when some stimulus or another is applied, with a microprocessor and suitable software its behaviour can be nicely matched to the prevailing circumstances. And if those circumstances change, the program can be altered to suit.

Examples are now coming to the attention of the Technical Page on a daily basis, but so far distressingly few of them have been of UK origin.

Cardkey's new Dimension 1000 however has been entirely designed and built in the UK for worldwide sale and it is hoped that the more sophisticated model 2000, at present coming from California, will soon be made here too.

Sophisticated access systems in which personnel entry point devices are on line (continually exchanging up to the minute information) to a central point have been controlled by minicomputers and even larger machines for some time, particularly in military installations. As a result of the frequently technical user environment, however, they have often not been too easy to use. Cardkey is aiming at people with administrative rather than engineering or data processing backgrounds with the two new models.

The central unit resembles a desk-top calculator in size and appearance but can deal with entry and exit of up to 3,000 people though eight card-reading terminal points: the user must present his properly coded card to a unit to get in or out. Who can, or cannot get in or out at any moment is under software control and there can be up to eight categories or levels for the varous restricted areas.

The eight access terminals can themselves be linked to doors, turnstiles, parking barriers and so on—each of them can accept eight alarm inputs of this kind.

All the transactions are monitored by the microprocessor according to its program and they are printed out on a 21 column ticket-roll printer built into the desk-top console. The machine can also deal in four times zones: if an employee tries to get in to the building or area at the wrong moment, access will be denied.

Dimension 2000 is a good deal more complex in that the central unit has a display screen able to show pictures from closed circuit cameras placed at strategic points while at the same time superimposing plain English instructions for dealing with various situations.

This system can deal with 4000 cards used at 32 card reader points and at the same time monitor 700 alarm inputs.

GEOFFREY CHARLISH

Smart torpedos get an underwater 'taxi'

David Fishlock, Science Editor, reports on a torpedo to test torpedos

A TORPEDO-LIKE test vehicle controlled by computer has been developed by the Ministry of Defence to explore new ideas in anti-submarine weapons and warfare. The all-purpose test vehicle, called TVX, is being prepared for its first sea trials later this year.

TVX will be used to test parts of the controversial Sting Ray lightweight torpedo, the "smart" anti-submarine weapon the Navy and Air Force plan to put into service in their frigates, Nimrods and anti-submarine helicopters. It will also be used to test future developments for heavyweight torpedos of the kind carried by submarines, including a new model the Defence Ministry is exploring.

TVX is the brainchild of the Weapons Laboratory of the Admiralty Underwater Weapons Establishment at Portland near Weymouth. It has been developed over the last four years at a cost of "a few million pounds," says Miss Betty Killick, in charge of the laboratory. The scientists have acquired the Meccano-like hardware for three TVXs but plan to assemble only one at a time. Sperry Gyroscope has been the prime contractor.

TVX is a "taxi," the size and shape of a heavyweight torpedo (see accompanying sketch). It is 0.53 metres in diameter, five metres long, and weighs 1,150 kilogrammes. Instead of a payload it has a large luggage compartment in the nose for experimental payloads of almost any aspect of torpedo research—homing, fusing, attitude sensing systems, for example. It can also test new propulsion systems for torpedos, by replacing the appropriate part of the basic TVX assembly.

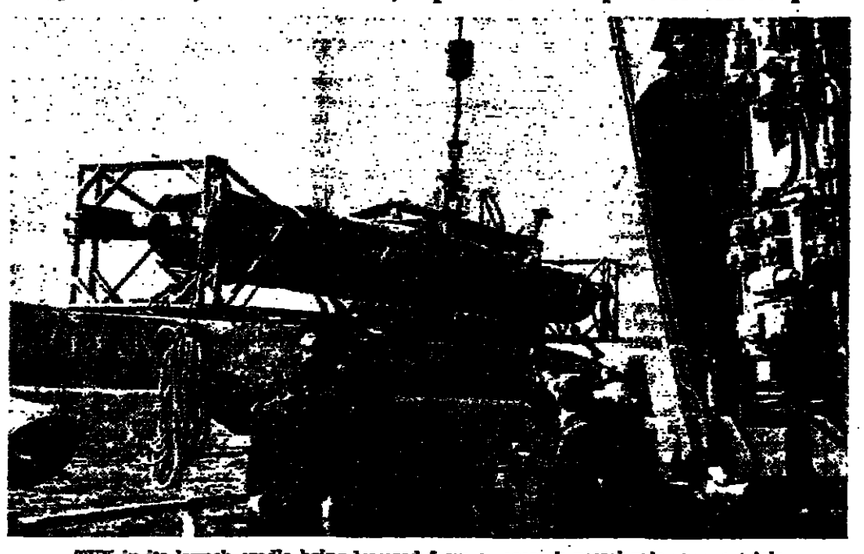
The need for TVX reflects a growing awareness of the Russian submarine threat, as their submarines—once noisy and relatively easily detected—become much faster yet quieter and altogether greatly improved in performance, the Portland scientists say. Their taxi is designed for speeds at least half as fast again as the fastest craft a torpedo is expected to pursue. Its speed can be varied between about 28 and 60 knots through remote control of its gas turbine engine and jet-pump propulsion system.

A scientist drives TVX from a computer console aboard the launch vessel. TVX's own on-board computer controls its speed, attitude and safety factors. It has its own three-dimensional tracking system and can carry data recorders, although normally it will be transmitting data continuously through its guide wire for real-time analysis back aboard the mother vessel.

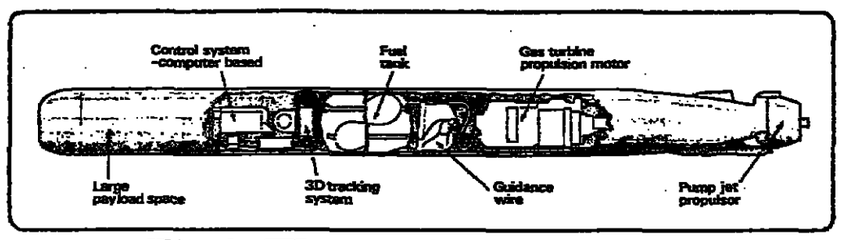
The taxi is highly manoeuvrable, and can be controlled very accurately, claims Portland. It boasts rates of turn up to 40 degrees per second and pitch angles of ±28 degrees. Its range of 7.3 kilometres is limited either by fuel supplies or by the guide wire running out. It is positively buoyant by 40 kilogrammes, and floats horizontally to assist recovery. It operates at depths from 3 to 300 metres—the limit available on torpedo ranges open to TVX.

Following "dry runs" in test cells at Portland, where its propulsion system was proven, TVX has been tried out at the British Underwater Test and Evaluation Centre (BUTEC), the Ministry of Defence's new torpedo testing range on the Inner Sound of Raasay, between the Scottish mainland and Skye. Should TVX fail to surface, BUTEC is equipped with a curious beast called "cutlet;" a self-propelled "bedstead," also developed at Portland, which locates and recovers test torpedos from the seabed for another go. The subterranean range, measuring ten by four kilometres, is wired for sound so that the whole exercise can be watched on sonar display screens from the shore.

Normally TVX is deployed from a vessel. Under its own power it swims out of the open-lattice launch cradle (shown in the photograph) at a depth of three metres. After a test run TVX should surface under its own buoyancy and be located with the aid of dead reckoning via its own control computer. It also has a "beeper" locator on board. The crew of a Gemini dinghy then attach a tow line and take it back to its mother vessel.



TVX in its launch cradle being lowered from a research vessel prior to sea trials



What makes TVX run: test equipment is carried in the nose

● The phone number of Omron Terminals of New Malden was incorrectly given in an article on this page on Friday last. The correct number is 01-949 1032.

thurley

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● COMPUTING

Terminal for many tasks

NCR HAS come to the market with a microprocessor-based visual display terminal that can be programmed by the user to handle a variety of information processing tasks. Called model 2950, it can be used on its own or linked to a host computer.

NCR's object has been to provide the precise combination of processing power and control features where they are needed. The system has a buffered 12 inch screen and 105 keys including a separate numeric pad. All of the keys are programmable and as a result the keyboard can provide over 300 functions, symbols or pre-set constant values. The customer himself can program 27 of the keys using Basic in order to provide 108 special functions or procedures.

NCR is at 206 Marylebone Road, London, NW1 6LY (01-723 7070).

BUSINESSMAN'S DIARY

UK TRADE FAIRS AND EXHIBITIONS

Date	Title	Venue
Oct. 7-8	Bookmakers Show (07843 6255)	Bloomsbury Centre Hotel
Oct. 8	Petroleum Oil and Offshore Equipment Exbn. (01-637 8841)	Tree Tops Hotel, Aberdeen
Oct. 12-15	Junior Fashion Fair (01-636 1833)	Horticultural Halls
Oct. 14-16	Internepcon Conf. and Exbn. (01-390 0281)	Metropole Hall, Brighton
Oct. 14-17	Drive Electric Exhibition (01-834 2333)	Wembley Conference Centre
Oct. 14-17	Mailing Efficiency Exhibition (01-405 6233)	Cunard Int. Hotel, W8
Oct. 15-26	International Motor and Commercial Motor Show —trade days 15-16 (01-235 7000)	National Exhibition Centre, Birmingham
Oct. 21-23	Conference and Exhibition on Marine Transportation and Storage of Bulk Chemicals (09237 76363)	Royal Lancaster Hotel, London
Oct. 21-24	European Offshore and Petroleum Conference and Exhibition (01-486 1951)	Earls Court
Oct. 21-24	London Fashion Exhibition (01-385 1200)	Olympia
Oct. 28-30	Electronic Test and Measuring Instrumentation Exhibition (0822 4671)	Wembley Conference Centre
Oct. 28-30	National Housing and Town Planning Exhibition and Conference (01-686 5741)	Metropole Hall, Brighton
Oct. 28-30	Control and Instrumentation Exhibition (01-855 7777)	Harrogate
Nov. 4-6	Computer Peripheral and Small Computer Systems Exhibition and Conference (01-837 3636)	Olympia
Nov. 4-9	Kensington Antiques Fair (04868 22563)	Kensington New Town Hall

OVERSEAS TRADE FAIRS AND EXHIBITIONS

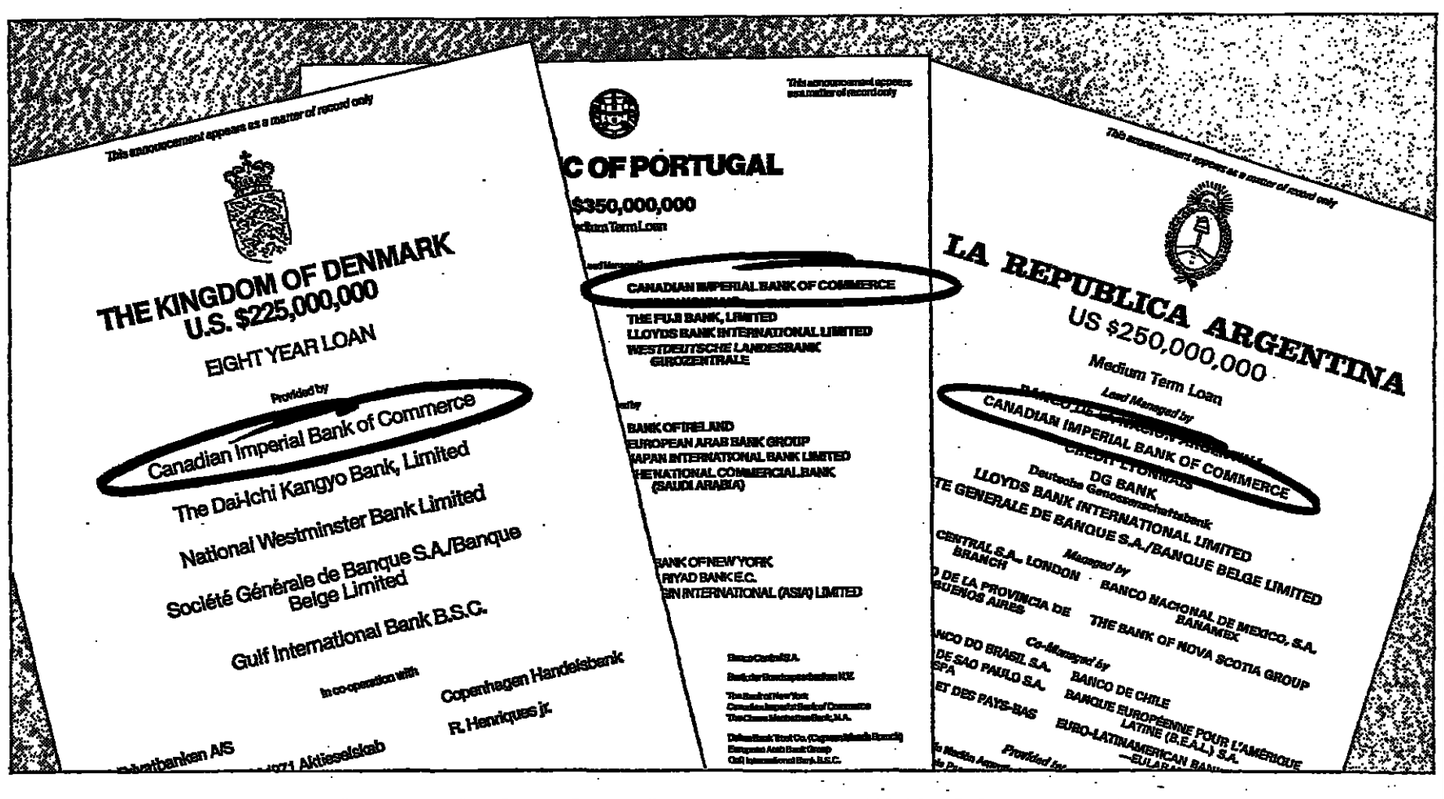
Current	International Motor Show (until Oct. 12) (01-439 3964)	Paris
Oct. 8-9	Hydraulic Pneumatic and Transmission Exhibition (01-950 2207)	Lille
Oct. 9-15	International Exhibition for Instrumentation and Automation—INTERKAMA (01-409 0956)	Dusseldorf
Oct. 10-12	International Children's and Young Peoples Trade Fair (01-409 0956)	Cologne
Oct. 12-16	Fashion—Samples Fair—INTERCHIC (01-540 1101)	West Berlin
Oct. 14-18	Business Machines and Equipment Exhibition (01-486 1951)	Helsinki
Oct. 15-18	Electrical, Mechanical and Civil Engineering Exhibition (Dublin 763871)	Dublin
Oct. 18-22	International Exhibition of Women's Readymade Clothing (01-439 3964)	Paris
Oct. 19-23	Hotel Equipment and Catering Exbn. (01-584 4411)	Vienna
Oct. 22-24	Hong Kong Electronics Show (021-705 6707)	Hong Kong
Oct. 23-29	International Exhibition of Inventors and Novel Features (01-278 0281)	Brno
Nov. 8-16	International Boat Show (01-540 1101)	Copenhagen
Nov. 9-14	Middle East Building Materials and Construction Industry Exhibition (01-486 1951)	Bahrain

BUSINESS AND MANAGEMENT CONFERENCES

Oct. 6	Oyez: Why don't the British buy British? (01-242 2481)	Quaglino's, SW1
Oct. 6-7	UNCTAD: Containerisation and the Developing World (01-253 1323)	Hilton Hotel, W1
Oct. 6-10	Inst. Personnel Management: Selecting the Right Candidate (01-337 2844)	Whites Hotel, W2
Oct. 7	CAET: Company Law Up-date (01-580 7179)	Hotel Russell, WC2
Oct. 7-9	Inst. Civil Engineers: Coastal Discharges—engineering aspects and experience (01-222 7722)	1-7 Gt. George St., SW1
Oct. 8-9	FT Conference: Spain and the Common Market—Policy and Alternatives (01-621 1355)	Madrid
Oct. 8-10	Frost and Sullivan: Office Automation and the Integration of word processing and data processing (01-486 8377)	Imperial Hotel, Copenhagen
Oct. 8-10	Seminar Services International: Advanced International Tax Planning Symposium (01-370 3244)	International Hotel, Zurich
Oct. 8-10	Infotech: Which IBM Small Computer? (0628 39101)	Portman Hotel, W1
Oct. 9-Dec. 11	FT City Course (01-621 1355)	City University, EC2
Oct. 9	Executant: Quality Circles—theory and application (0494 33171)	Crown Hotel, Harrogate
Oct. 9-10	AMD: Import Documentation and Finance (Windsor 56047)	Royal Garden Hotel, W1
Oct. 9-10	Brunel: Womanpower Development (0895 58461)	Uxbridge
Oct. 10	Henry Stewart: Computers for Surveyors and Estate Agents (01-935 2382)	Café Royal, W1
Oct. 10	Oyez: Securities for Bankers' Advances and Receivership in the 1980s (01-242 2481)	Cavendish Conference Centre, W1
Oct. 13-14	MSS Computer and Business Consultancy: Job Evaluation (0903 34755)	Worthing
Oct. 14-15	AMR International: Foreign Exchange Forecasts (01-262 2732)	Hyde Park Hotel, SW1
Oct. 16	IPS: Currency Differentials—A route to more profitable purchasing (0980 23711)	Kenilworth, Warwickshire
Oct. 16	Kearny/SMMT: Vehicle of the future—threat or opportunity? (021 6223195)	Metropole Hotel, Birmingham
Oct. 20-21	New York Management Centre: Direct investment in the U.S. (01-937 3163)	Hilton Hotel, W1

Anyone wishing to attend any of the above events is advised to telephone the organisers to ensure that there has been no change in the details published.

$32 BILLION ON LOAN YOU MAY HAVE OVERLOOKED?



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Financial Times Conferences

INVESTMENT IN MALAYSIA
Kuala Lumpur — November 3 and 4, 1980
Y. A. B. Dato Seri Dr. Mahathir bin Mohamad, Deputy Prime Minister and Minister of Trade and Industry, will give the keynote address at this major conference to be arranged in association with Bumiputra Merchant Bankers Berhad with the support of the Malaysian Industrial Development Authority.
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RETAIL BANKING
Grosvenor House, London — November 18 and 19, 1980
A two-day conference to explore opportunities in retail banking, particularly in the United Kingdom personal banking market where between 40 and 50 per cent of the adult population still lacks a cheque account.
Speakers will include: Mr. W. J. Benson, Director and Group Chief Executive, National Westminster Bank Limited; Mr. F. W. Crawley, Deputy Chief General Manager, Lloyds Bank Limited; and Mr. Daniel Cardon de Lichtbuer, Administrateur, Membre du Comite de Direction, Banque Bruxelles Lambert SA.

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هكذا من الأصل

Building and Civil Engineering

£7.8m shops centre by Wimpey

CONSTRUCTION of a shopping centre at Westlea, Swindon, Wiltshire, is to be carried out by Wimpey. Preliminary work for this £7.86m contract has just started and completion is scheduled for 1981.

This shopping centre is being built for Linfood and will provide the core of a new district centre to be known as the West Swindon Centre. Principal feature of this 6,500 square metre complex will be 13 shops in what is described by Wimpey as a mall/town square setting, and a sales hall for a Carrefour superstore.

A further 6,500 square metres covers two bulk storage warehouses, rear preparation area, first floor restaurant, kitchens, servery and external kiosks.

The main structure will be of Conder self-finished steel frame on pad foundations with pre-cast concrete mezzanine floors, cladding of fairfaced "Forticrete" blocks, and tiling to mansard type steel and timber roofs. Air conditioning, refrigeration and fitting out of the main buildings and stores is covered by the contract.

Chief architect is the Archer Boxer Partnership.

Bovis burrows under Bristol

BOVIS, which has driven over 21 km of tunnels under the City of Bristol over the past 30 years has got another contract calling on its expertise in working beneath the city.

The latest contract is worth over £5.7m and is for stages two and three of the Bristol southern foul water interceptor.

This job calls for the construction of 614 metres of 2.74 metres internal diameter tunnel and a 2,393 length of 2.44 metres internal diameter tunnel, both with segmental primary lining and in-situ concrete secondary lining. A further tunnel, 297 metres long and with a 1.2 metre internal diameter is also called for.

Back on the surface Bovis has won a £4.25m contract to build the Battlesbridge by-pass in Essex.

The work consists of the construction of 2.4 kilometres of single carriageway road; the site is on the existing A130 Chelmsford to Canvey Island road, which runs approximately 15 kilometres south of Chelmsford.

The work includes two bridges, one over the River Crouch and another over the Wickford-Southminster railway line. Each bridge will have three spans with M-beam decks supported on reinforced concrete piers and bank seat type abutments founded on bored piles.

The work is to last 120 weeks; the works engineer is the County Surveyor G. Carpenter.

Headquarters for rail union

A NEW headquarters building for the National Union of Railwaymen is to be built at Euston Road, North London, under a contract worth more than £4.5m awarded to John Laing Construction.

Work has just started and involves filling old basement areas, excavating for a new basement, then constructing a mainly six-storey reinforced concrete framed building on pile foundations around a central courtyard.

Clad in granite, the fully air-conditioned block will have a floor area of about 56,000 sq ft. It is due for completion in two years.

Development consultants and project managers for the Union is Savills of London and the architects are Carl Fisher and Partners.

On the site of the old railway station at Hawick in the Borders, Laing is to build a swimming pool complex.

The part single, part two-storey first phase leisure centre development, which is for Roxburgh District Council will have, apart from the swimming pool, squash courts and other amenities. Work has just started and is scheduled for completion by August 1982. The overall contract cost is £2.3m and the architects are Faulkner-Brown Hendy Watkinson Stonor.

Rush and Tompkins wins £3.8m

THE LARGEST project among several awards totalling over £3.8m made to Rush and Tompkins is worth £863,000. This was awarded by the Home Office Prisons Department for work at Dartmoor Prison. It covers the refurbishment of D wing, a granite cell block that has not been in use for some time, and the building of a clothing exchange store.

Among the other contracts are two design and build projects. In Scotland, the company is to erect a warehouse, offices and a maintenance unit for Rowntree Mackintosh at Grover Street, Perth, at a cost of £652,000. The other design and build job is for the London Borough of Southwark. A £575,000 contract calls for the demolition of a building and the erection of a portal-framed garage for social services vehicles together with two-storey administration offices and a store. All elevations will be brick faced.

At Twyford, Berkshire, the company is to build 12 industrial units for Tavistock Square Properties (a company jointly owned by Rush and Tompkins and Russell Management) under a £740,000 contract. Also for Tavistock Square Properties is a warehouse development at Evelyn Street, Deptford, London SE8. Two units totalling 1,600 sq metres will be built on piled foundations on the site of a filled-in canal. The steel-framed brick clad buildings will have small integral offices. This is valued at £365,000.

Work is just starting on a £457,000 contract for Debenhams at Finchley in North London, where the company is reinstating a seven-storey office block that has been damaged by fire. The 26-week contract involves minor structural work and refurbishment of the offices.

Also in progress is phase one of a kitchen block at Bedonwell Infants School. The £200,000 contract was let by the London Borough of Bexley.

Preparing the way

FIRST STAGE of industrial development in the Southfields industrial area for Basildon Development Corporation calls on E. C. Harris and Partners to provide full quantity surveying and cost control services.

Cost planning and viability exercises are now completed, and bills of quantities have been prepared on this phase which consists of 49 mixed single and two-storey units ranging from 100 to 620 square metres.

Described as a new look development, it is based on a "superblock" which is a continuous built form around a number of central service areas, so that a front, or entrance side is presented to the public eye.

Construction is due to start before the end of this year.

More work at London Heathrow

A START on improvement of facilities for passengers arriving at London Heathrow's Terminal 1 is being made today.

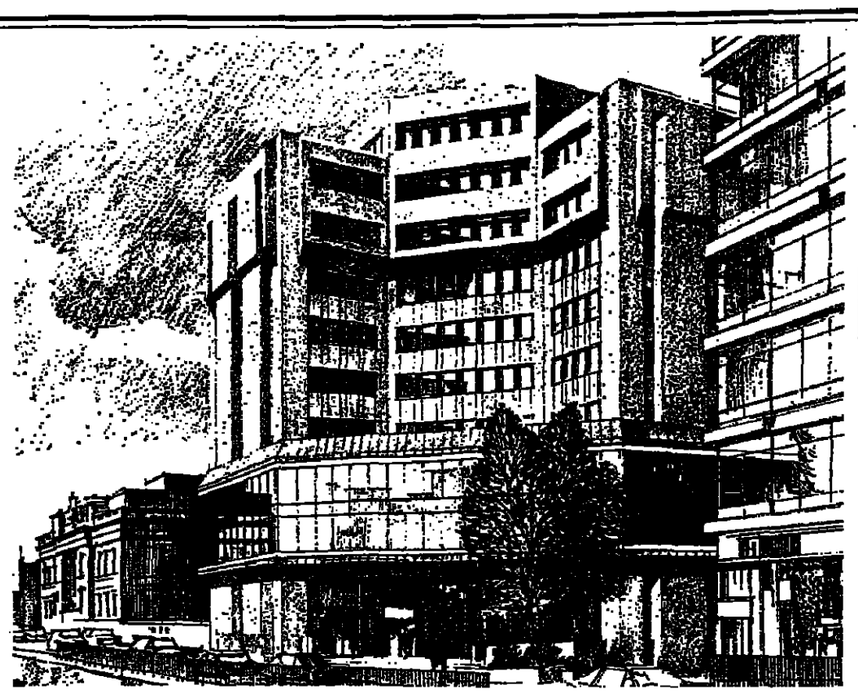
The terminal will be extended out towards the Queens Building at first floor level and Immigration and Health Control will be housed in the new area. Space vacated on the ground floor will be used to extend the baggage reclaim hall and install larger baggage reclaim units.

British Airports Authority says that with the customs area also enlarged and back up facilities improved, the terminal will have the potential to increase its passenger flow rate from the present 1500 per hour to 1850.

Due for completion in spring of 1982 the project, which will cost £5¼m, is part of an overall development of Terminal 1. In September 1981 work will begin on widening the very long Pier 3, to provide moving walkways and enlarged gaterooms. This will be necessary to cope with the flow of passengers to and from the new generation of aircraft which British Airways has on order—such as the Boeing 757 expected in spring 983.

The contractor is Fairclough Building. The architects are Scott Brownrigg and Turner and the interior design is being carried out by Glynn Smith Associates.

The steel framework for the terminal extension has already been constructed as a separate contract and to minimise disruption, was carried out at night during this summer. The contractor was Bannister Walton.



Impression of the King William Street House development in the City of London

£17½m City office block

ANOTHER big office block is to appear in the City of London. It will be in King William Street, E.C.4 and the £17½m contract has been awarded to John Mowlem by the City of London Real Property Company, part of the Land Securities Group.

The building, to be known as King William Street House, will have a gross floor area, including plant, car parking, and service areas of about 225,000 sq ft and will incorporate the shell of a public house.

Designed by London architects, the GMW Partnership, the building will be basically cruciform in plan, changing to octagonal at the ground to third floor levels. The podium floors will extend over the whole site and comprise basement and lower ground levels.

The superstructure will consist of ground and ten upper floors, plus a roof plant room. There will be an external perimeter walkway at ground level, extending over the roof of the podium at the south-west corner.

Built on piled foundations, construction will be of reinforced concrete frame and floors, with diaphragm basement walls. The elevations generally will be granite clad, with an insulation membrane behind.

Structural engineers for the project are Scott Wilson Kirkpatrick and Partners, and the quantity surveyors are Gardiner and Theobald. Completion is due late in 1983.

Awards to Miller Buckley

TWO contracts, totalling £895,000, have been won by Miller Buckley Civil Engineering.

The largest is for the Greater Manchester Council which has awarded a £620,000 contract covering preparation of a further area at Deanshut Clough refuse disposal site to be used by laying large diameter glass reinforced plastics pipes to culvert two stream courses. Improved access to the site will be achieved by building a two-lane tarmac carriageway.

For the National Coal Board, South Wales Area, a £275,000 contract covers work on Waunlwyd No. 2 tip 566, near Ebbw Vale. Reprofiling of a spoil heap will be undertaken with 820 linear metres of drainage channels and 550 metres of unlined channels. Other works on site include relief of artesian water pressures, a thrust bore under a railway track and, finally, the landscaping of the whole site.

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Getting down to it

THE UK and Jordan are collaborating to undertake projects in building research which should lead to new knowledge of foundation engineering.

The Building Research Establishment in the UK and the Jordanian Building Materials Research Centre at Amman have agreed to work together on the properties of Jordanian clays.

Research will concentrate on two areas of Jordan; Amman, the capital, and Irbid, which is a smaller but developing town in the north.

The problem the joint team is going to tackle concerns the red (Mediterranean) clays and bed-rock marls which cover much of the ground in these towns.

Traditionally, Jordanian builders have excavated these clays to build their foundations on the solid rock beneath.

Now, as the cities expand, building is taking place in areas where the bedrock is simply too deep for excavation. The result is foundation problems. Several buildings have already been damaged as a result of the shrinking and swelling of the clay with changes in moisture content.

The problem is not restricted to Jordan but to many developing countries; foundations have been developed to overcome the problems of expansion, but to know what method to use best, the physical properties of the soil must be analysed.

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In one year, precision engineers Peter Brotherhood have recovered from deep trouble. In Peterborough. One British city where companies still have the confidence to invest in tomorrow's technology.

Crisis struck Brotherhood in October 1979. Advance orders had slumped, and high interest charges and unfavourable exchange rates were biting into profits. The share price had fallen to 57p.

To survive, productivity had to improve, funds had to be found for re-equipping, and new orders won. The labour force had to be cut.

Managing Director Geoffrey Crawford says: "People from management to shop floor recognised the needs and responded. Now new ideas and practical solutions to problems come from within. The stability and dedication of the Peterborough people is a major factor in our success, and in the success of others in the region."

Brotherhood's order book is up 20%, efficiency is greatly improved, re-equipping is under way and new craft apprentices have been recruited. Share prices are almost twice last year's low.

Over 150 companies have moved to Peterborough in the last 10 years. Almost all have seen profits and productivity go up; wastage, absenteeism and staff turnover go down.

That's the Peterborough Effect.

What causes The Effect?

Peterborough, ancient cathedral city and new town, has a workforce of 65,000 with skills founded in engineering traditions but extending into latest technologies and services.

Companies who move here draw on and contribute to this workforce. A modern home, to rent or buy, is assured for every employee the firm brings to Peterborough. With hundreds of homes to buy every week in all sorts of styles and sizes at prices from under £10,000 to over £60,000.

Excellent living conditions produce a better workforce. Most companies have discovered the Peterborough Effect working for them with higher productivity, higher profits and better staff relations.

Room to grow

Over 1.2 million square feet of factories and warehouses are being built in Peterborough now. All funded privately. The programme is continuous, so firms are sure of the space to expand, for years ahead.

Our factories range from 500 to 50,000 square feet. All top quality buildings ready for instant use. Serviced sites are available to lease or buy in several locations, all linked by the city's superb urban motorway system to the national road network.

In the right place

Peterborough is 50 minutes from King's Cross by train. There are 28 fast trains daily into London; and direct services to Harwich, Birmingham, Manchester, Leeds and many other major cities.

The A1 gives excellent road links to the rest of Britain. And Peterborough is the major growth point closest to the expanding East Coast ports of Felixstowe, Harwich, Yarmouth and King's Lynn.

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It must be the Peterborough Effect

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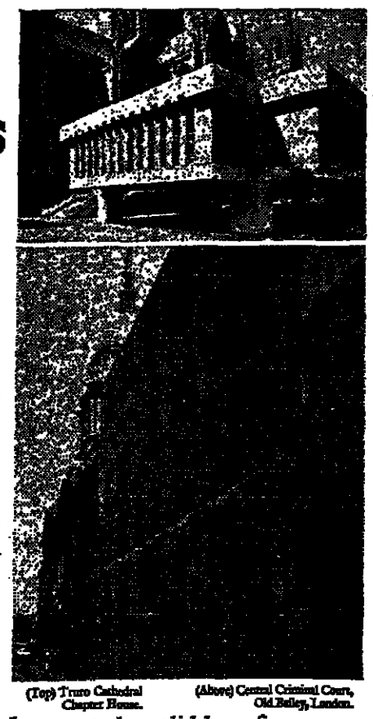

(Top) Truro Cathedral Chapter House. (Above) Central Criminal Court, Old Bailey, London.

You may be led to think that Wallis must reserve high standards of craftsmanship for high places alone.

Nothing could be further from the truth. High standards are maintained on every kind of building project – be it humble or exalted, big or small, at home or abroad.

G. E. Wallis & Sons Ltd, was founded 120 years ago, and has established itself as a market leader in high quality building work, a reputation of which the company is justifiably proud.

Restoration of valuable and historic properties is a Wallis hallmark; the Palaces of Westminster and Hampton Court, and Windsor Castle, are amongst those where works have been completed.

New building projects, as well as those pictured above, include a wide variety throughout the South – such as hospitals, schools, purpose built homes, factories, offices and shopping centres.

Teamwork within Wallis is a key contributor to the success of the Group as a whole. Firstly, an impressive labour relations record has created a solid base for expansion in the eighties. Secondly, specialist divisions within the Group provide the all important expertise and back-up it needs in times of ever changing priorities and conditions.

All in all, Wallis have some pretty solid foundations on which to build for the future.

Wallis

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THE MANAGEMENT PAGE

EDITED BY CHRISTOPHER LORENZ

From sugar coating to bitter pill

George Bassett is suffering from a double headache: its basic business and its diversification drive. Arnold Kransdorff reports

IT IS a measure of these uncertain times that a company can plummet from record profit to record loss in the space of two years, while undergoing successive changes designed to avert the slide.

The company is George Bassett Holdings, the Sheffield-based maker of liquorice allsorts. Against the background of the most difficult trading conditions since the early 1930s the group incurred a pre-tax deficit of £1.3m in the year to March 31, 1980—the worst performance in its 140 years' history.

Only two years ago Bassett's fortunes were at a peak—1977/8 profits were a record £2.8m. But they slipped to £1.33m in 1978/9 when home demand started easing off and export margins began to feel the pinch from a strengthening pound.

Bassett's directors were quick to anticipate the need for fundamental changes but in spite of continuous reorganisation, including several unexplained departures and job switching at board level, the company has found it necessary to retrench in recent months.

The recent losses are a particular embarrassment as the directors have, until recently, been making spirited noises about an imminent recovery.

While the company's losses would undoubtedly have been much larger had changes not been made, the group's unhappy position at the moment is a sharp reminder that rationalisation, and diversification in particular — a key factor in Bassett's management strategy —is no guarantee of short-term recovery.

The recovery programme has been in the hands of Bill Mills, who has been with the company for 10 years. Formerly the group's managing director, he took over the chairmanship from Gordon Johnson—the last of the original Bassett family—in November, 1978, just as the recession was beginning to bite.

Mills was originally brought in to implement a unified system of production, marketing and distribution in the then-fragmented group. Previously European vice-president of Stanley, the U.S. tool manufacturer, Mills also had 20 years' experience in the tobacco industry, mainly with BAT.

Rationalisation at Bassett was considered essential because of three major factors. All were outside the company's control, but they were also common to all UK confectionery companies, including the giants such as Rowntree Mackintosh and Cadbury Schweppes, which have also been showing signs of stress.

In the first place demand for sugar confectionery was dropping sharply in line with lower consumer spending, and last year's VAT increase accelerated the trend. At the same time interest rates were shooting up. So was the value of the pound, with an inevitable effect on exports; though only about a tenth of group sales, exports are Bassett's main problem area.

Other contributory factors were rising raw material costs, particularly sugar, Bassett's main ingredient, and other overheads.

The gravity of Bassett's trading position is illustrated by the national statistics on sugar confectionery consumption—down by 10 per cent since early 1978, with exports 13 per cent lower.

Since that time Minimum Lending Rate, on which commercial rates of interest are based, has jumped from 6.5 per cent to 16 per cent while the value of the pound is almost 40 per cent higher against a basket of Western European currencies.

Wage costs have also mushroomed—up 40 per cent per employee over the period, though because of redundancies and natural wastage, the wage bill has risen by only about a fifth.

Strategy to fight

On taking office almost two years ago Mills anounced an ambitious strategy to fight the recession. The plan was to stem export losses, which clipped around £0.5m off group profits in 1978/79, capitalise on the diversification out of confectionery, improve sales penetration in the home market, and generally cut overheads.

As far as exports were concerned, Bassett found itself having to fulfil unexpired contracts at uneconomic prices. It also found that it was losing market share, not only because of the unfavourable currency movements but because of competition from other liquorice confectioners.

At first, in order to maintain long-standing associations, it decided to hold prices rather than lose a trading presence. But this policy proved largely ineffective as Bassett continued to lose market share, and margins got progressively worse as volume fell.

Mills then decided to change tack and concentrate on margins. Hoping that sterling would drop, or at least stabilise, he instructed that all invoicing be done in sterling—a move which has worked against the company as the pound subsequently strengthened.

He also raised prices in nearly all overseas countries and re-negotiated a number of long-term contracts. At the time Mills admitted that this would mean a downturn in volume but he was confident that it would be more than offset by the improvement in margins.

In the event sales volume did contract but so did margins, largely because of the continuing strength of sterling.

To improve overseas confectionery marketing, Bassett had also acquired its agents in New York and San Francisco and injected new management into the subsidiaries. The move subsequently proved to be uneconomic and Mills has decided to dispose of the companies and revert to an agency method of distribution.

Equally abortive has been Bassett's diversification into specialist foods and leisure — a policy which has been halted during the current crisis.

To reflect the changing profits base, in one of his first moves as chairman, Mills created a new corporate structure. Previously the group's activities were split broadly between manufacture and distribution, with "other activities" lumped into the latter division. Now, the group is divisionalised into sugar confectionery, special foods, leisure and distribution.

The recent diversification was facilitated by the disposal early in 1978 of Drakes Sweets Marketing, a tobacco and confectionery retail and wholesale business. Bassett decided, probably wisely, to sell, because of the change in tobacco taxation at the time, which would have meant funding a big increase in working capital when competition was getting progressively stiffer.

The proceeds of the sale—£5.3m—were used largely to increase the group's interests in toys and biscuits. Bassett already owned W. Purdy, a small manufacturer of tinned and fresh cakes and A. A. Hales, an importer of toys and model kits; together they cost almost £1m.

Bill Mills, Bassett's chairman: hoping to re-sort the allsorts to improve profitability.

Almost immediately Bassett then bought a controlling interest in S. A. Rouger et Cie, a Normandy-based manufacturer of gaufrettes, a French wafer biscuit. It followed this up with Patersons Shortbread, a Scottish biscuit manufacturer.

In toys Bassett acquired the loss-making Remus Playkits and a little later, a controlling interest in Adams Imports, a distributor of electronic TV games.

Including Purdy and Hales, the combined costs of all the takeovers totalled around £3.6m. At the time of their acquisition they would collectively have contributed about £1m to annual group profits, but in the year 1979-80 they pitched in only £0.36m.

In the special foods division, which incurred a trading deficit of £0.15m—a £0.3m turnround from profits—Paterson's, the largest acquisition (costing £0.97m), slumped into the red because of a sharp downturn in UK biscuit demand, while Rouger was hit by a compulsory price freeze in France.

Both Adam and Hales also took a hard knock from the national slump in toy sales. The leisure division's profits halved to £0.5m; Remus, which had cost £0.4m in 1978, continued to make a loss but rather than persevere, Mills sold out for £0.1m—a settlement which included the company's £0.8m overdraft.

On top of export and diversification disappointments Mills has two other major management problems to contend with.

At de Faam, the Dutch subsidiary making mainly gum-based sweets, production has been almost halted by continuous malfunctions in new plant, and losses have been at a "serious" level.

Secondly, G.D.S. Transport, the distribution subsidiary, has been suffering badly from the dearth of sugar confectionery business in the UK to which it was almost totally geared.

Bassett's experience in the confectionery market at home has been equally problematic, although here there has been some measure of success as a result of changes in marketing strategy.

Faced with the prospect of declining demand Mills first shaved prices but immediately ran into margin difficulties. He then gambled by revising prices upwards—a policy that has apparently paid off as market share has not suffered. In fact Mills claims that the company has managed to increase its share slightly.

Much of this success is probably due to the changes made to the marketing operation. Until recently the company's branded products — Bassett, Wilkinson and Barrats—were handled by separate sales teams which often competed with each other; in addition many central services were triplicated.

Mills decided to regroup by integrating them and creating a network of smaller sales areas. The new sales team, it was found, was able to offer more of the company's products to more confectionery outlets. More recently he has created a special sales force to service grocery outlets, which are selling more confectionery nowadays.

But the recession has also meant retrenchment of both activities and staff. In July this year the group's Glasgow factory had to be closed with the loss of 185 jobs; short-time working has also been introduced at the other sweet factories at Pontefract and Sheffield, reducing overall UK confectionery capacity by around 25 per cent.

Over the past two years Bassett's total workforce has been cut by about 16 per cent.

All of its problems, meanwhile, have been exacerbated by the strain on the balance sheet of high interest rates. Bassett has historically been a low-geared company but rising stock levels and the erratic cash flow has pushed up the overdraft.

To help ease the situation Mills has entered into a sale and leaseback agreement on one of its larger buildings with an institutional investor. This has reduced borrowings by £1.5m but interest charges have still roughly quadrupled to £1.2m since 1978: this has doubled the ratio of net borrowings to shareholders' funds to about 37 per cent over the period.

In cash terms interest charges are the largest drain on resources, followed by export losses, G.D.S. Transport, de Faam and the non-toy acquisitions.

Euphoric optimism

So what are Bassett's prospects? With the share price at basement level there is always the possibility that the regular bid rumours will materialise. At the company's headquarters in Sheffield the euphoric optimism being expressed a year ago has been replaced by a nervous, sober realism that recovery is a good deal further away than at first thought.

At the trading level the outlook for sugar confectionery sales is not encouraging. At home volume for the first six months of 1980 showed an 8 per cent downturn, while exports during the same period slumped by nearly a fifth; elsewhere, the prospects for biscuits are unexciting while toy sales have never been worse.

This leaves Bassett in a position where it can only continue to tighten its belt. But as one of the directors commented: "It's like being on a diet. It is relatively easy to lose the first stone, but thereafter it becomes progressively more difficult."

Mills, who plans to retire next year at the age of 60, admits the immediate future is [illegible], but he asserts that "every possible effort is being made to get the company [illegible] to an acceptable level of profitability."

To bring down the interest charge he plans to improve stock control and step up debt collecting efforts. "Everyone is being geared to the conservation of cash—we are developing machinery to take over from people, improving maintenance systems and watching our travelling expenses. For example, our salesmen are being encouraged to make telephone calls in the lobby rather than in hotel bedrooms because of the 100 per cent surcharge. They are also instructed to fill up with petrol off the motorways, which is cheaper."

To stem export losses, Mills intends to eliminate all small customers and reduce volume in countries "where we don't have a cat in hell's chance of making a profit."

In addition he plans to change product packs to "enable us to improve margins without overpricing our goods" — this will probably involve using cheaper packaging materials, in some cases cheaper raw materials and adjusting the "mix" of the liquorice allsorts selections.

At de Faam, where a new managing director has been appointed, Mills says he has personally inspected the plant and he is confident that it is "now working very satisfactorily." The company is currently making profits, he adds. Paterson's "is regaining its momentum" while Rouger "is much improved."

Referring to GDS, where another new managing director has been appointed, Mills says that three new contracts have been negotiated — "enough to get back into profit."

Turning to the long term he intends to redesign products "to suit the changing tastes of the consuming public," and make major incursions into developing countries.

"The UK inflation rate is coming down and international differentials are narrowing," he notes with optimism. Interest rates should also follow downwards.

"The remedial action we have taken is putting us in a strong position to take positive advantage of the improved trading situation when the economy picks up," says Mills.

While this is undoubtedly true, much depends on how long the recession lasts. Bassett's trading account looks anorexic but fortunately there is still some fat in the balance sheet.

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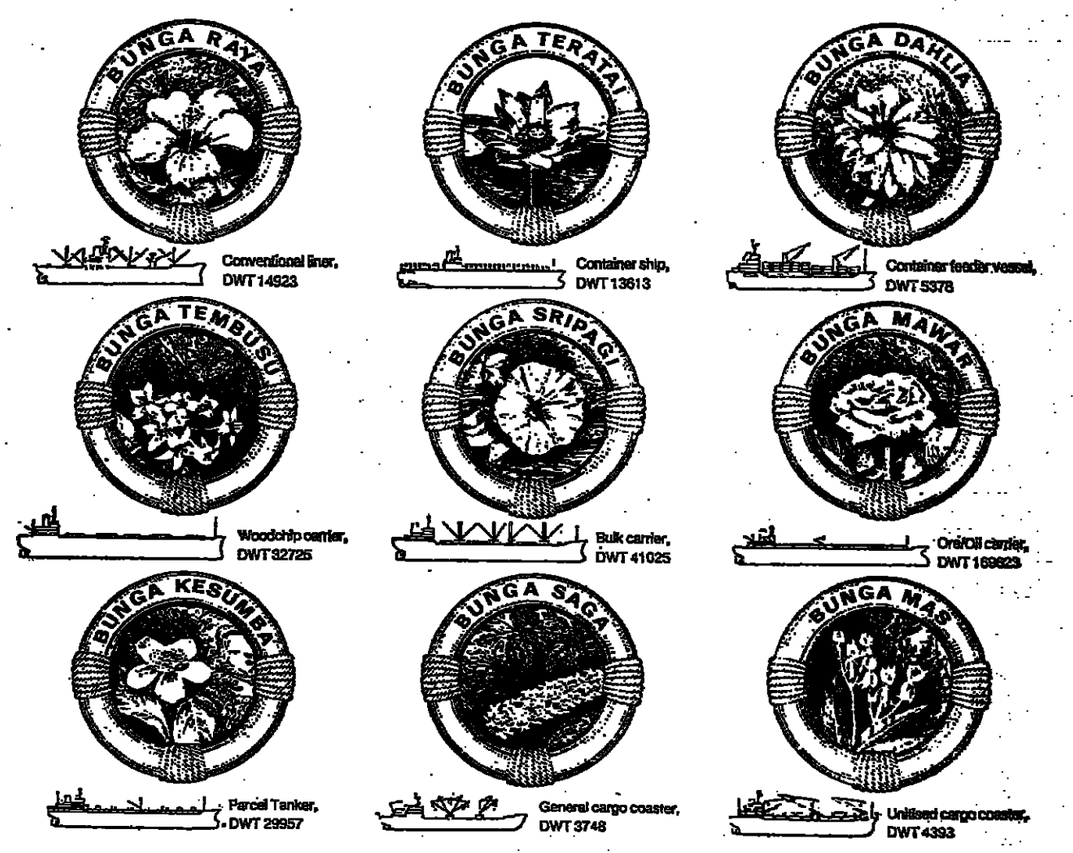

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هكذا من الأصل

*OFFICIALLY CERTIFIED FUEL CONSUMPTION FIGURES. TR7 SIMULATED URBAN DRIVING 22.7 MPG (12.5 L/100KM), AT 56 MPH (90 KPH) 37.9 MPG (7.5 L/100 KM) AT 75 MPH (120 KPH) 30.7 MPG (9.2 L/100 KM). THE FIGURES FOR YOUR CAR MAY DIFFER. **MOTOR. SEPT 13, 1980. 30-50 MPH TR7 IN 7.1 SECS. SAAB TURBO 99 2-DR. IN 10.2 SECS. PRICE CORRECT AT TIME OF GOING TO PRESS. (INCLUDES FRONT SEAT BELTS. CAR TAX AND V.A.T. DELIVERY AND NUMBER PLATES EXTRA.) METALLIC PAINT FINISH IS AN OPTIONAL EXTRA. ALLOY WHEELS ARE STANDARD WITH THE TR7 FIXED HEAD AND ARE OPTIONAL EXTRAS WITH THE TR7 DROPHEAD.

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Simple is efficient.

The new Ford Escort.

The car illustrated is an Escort Ghia, with optional metallic paint, headlamp wash, rear wash/wipe, central locking, power front windows, stereo radio and stereo cassette and power aerial.

هكذا من الأصل

Anatomy of an efficient car

The new Ford Escort is a spacious front wheel drive hatchback with a transverse engine and all independent suspension.

It can carry five people in comfort.

With the biggest engine it can do over 44 mpg at 56 mph. And with the smallest engine it achieves over 90 mph*.

Service intervals are 12,000 miles with an interim service at 6,000 miles. It's designed to be one of the cheapest cars to service in its class.

And the body is protected by a 20 stage anti-corrosion programme.

How have we achieved such remarkable efficiency? In engineering, simple is efficient. So we've kept the engineering in the new Escort as simple and straightforward as possible.

Engineers call it looking for the elegant solution. It takes sophisticated technology to find it.

Here then, step by step, is the story of the new Ford Escort. Simply one of the most efficient cars you can buy.

Transverse engine and front wheel drive makes more space for people.

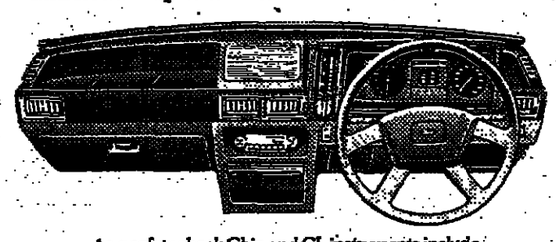
The simplest way to enlarge the passenger space without enlarging the car is to make the engine space smaller.

So, based on a wealth of experience with the Fiesta, we've mounted the engine sideways and given it front wheel drive.

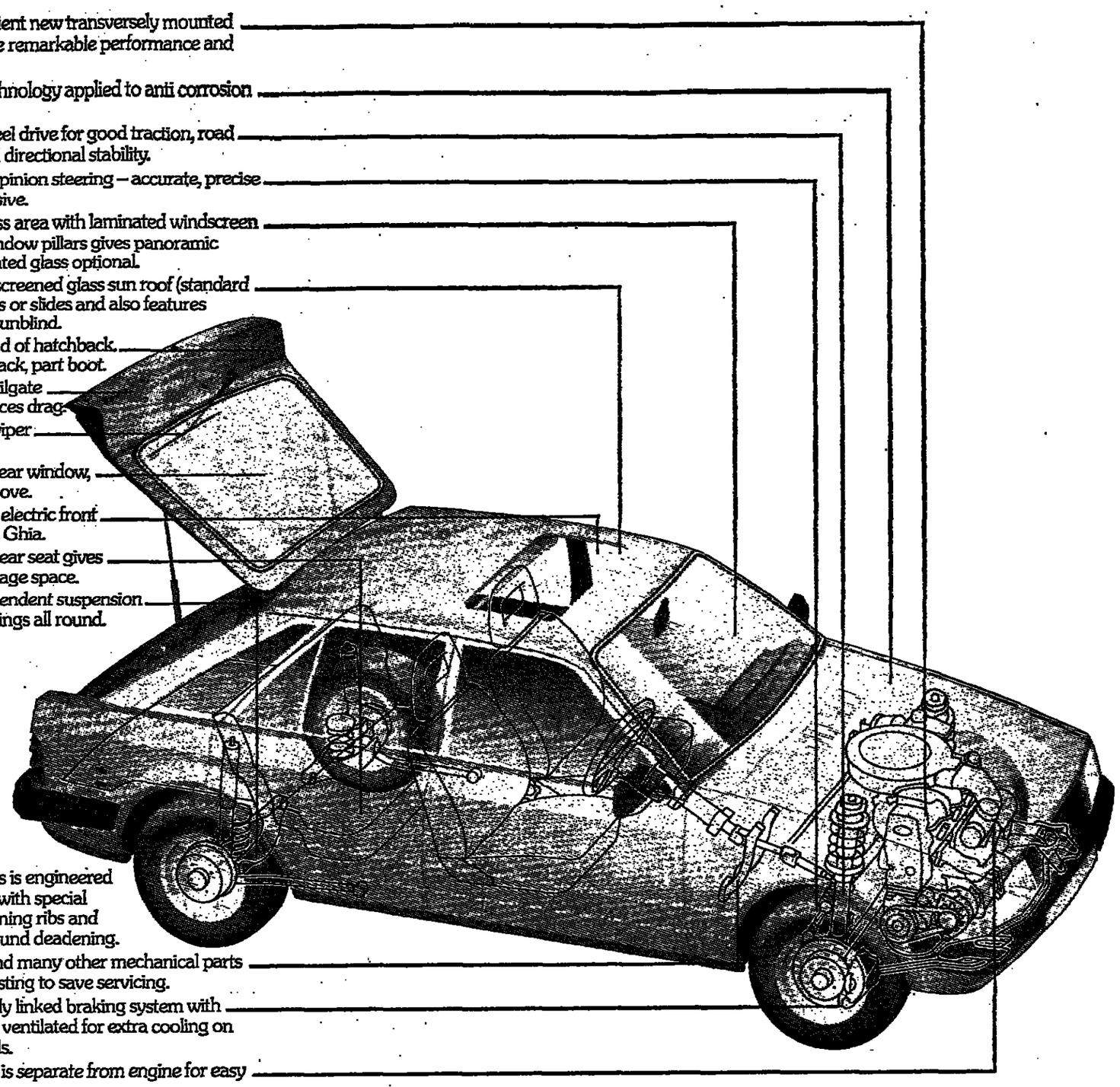
This eliminates the transmission tunnel and the rear axle differential, thus leaving more room for you and your luggage. Incidentally it also saves weight and improves traction.

The Escort's seats have coil springs tuned to the car's suspension and they're deeply contoured to give comfortable support and reduce fatigue.

Among the more luxurious equipment you can order in the new Escort Ghia are electric front windows, stereo radio/tape player with electric aerial, central door locking, tinted glass and headlamp washers.



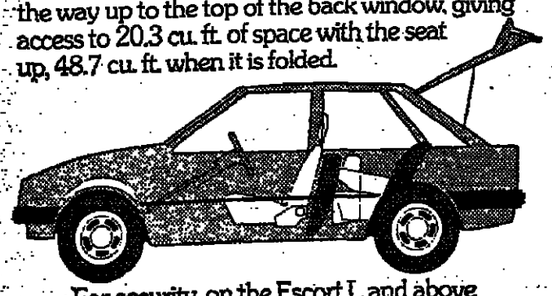
As a safety check Ghia and GL instruments include warning lights for low oil, water, windscreen washers, brake fluid and even front brake pad wear.



Interior of Escort Ghia. Standard features include remote control driver and passenger door mirrors, a digital clock with date and stop watch functions and a screened glass sun roof that either tilts or slides.

The hatchback that thinks it has a boot

The Escort has a new kind of hatchback. At first glance it looks as if there is a conventional boot. But the tailgate actually opens all the way up to the top of the back window, giving access to 20.3 cu. ft. of space with the seat up, 48.7 cu. ft. when it is folded.



For security, on the Escort L and above there is a removable shelf which hides your valuables.

Up to 47 mpg. Up to 104 mph from ultra efficient new engines*

Drawing on the experience of ten years with the previous Escort, Ford have designed entirely new 1.3 and 1.6 litre engines with aluminium cylinder heads.

There are no contact points to replace in the ignition system. The tappets are self-adjusting, so they always stay in tune. The variable venturi carburettor supplies the optimum fuel/air mixture at all speeds. The choke operates itself automatically and there is a thermostatically controlled fan which can save up to 10 bhp.

There is also a 1.1 litre engine available. This is based on the economical proven Fiesta engine fitted with a variable venturi carburettor.

The new Escort is not only more economical than its predecessor, but faster too.

***Performance and economy**

	Government fuel consumption test figures Constant 56 mph (90 km/h) (mpg)	(litres/100km)	Top speed (mph)†
1.1 HC	49.6	5.7	90.1
1.3 HC	47.1	6.0	97.6
1.6 HC (EV)	44.1	6.4	103.8
Simulated urban cycle		Constant 75 mph (120 km/h)	†Ford computed figures
1.1 HC 34.9 mpg (8.1 litres/100 km)		36.2 mpg (7.8 litres/100 km)	
1.3 HC 30.4 mpg (9.3 litres/100 km)		36.7 mpg (7.7 litres/100 km)	
1.6 HC 30.7 mpg (9.2 litres/100 km)		34.4 mpg (8.2 litres/100 km)	

12,000 miles between major services

The new Escort has so many self-adjusting and maintenance free features that it almost services itself. These features mean that it can go 12,000 miles between major services with only an interim service at 6,000 miles.

In fact, based on studies comparing routine servicing costs with competitive cars, Ford estimate that the new Escort will be cheaper to service than most of its rivals.

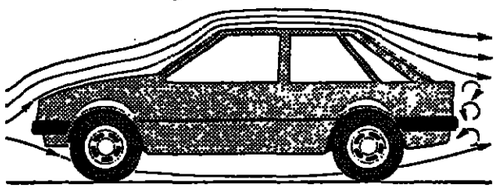
Here's why: **1** Self-adjusting clutch. **2** Self-adjusting brakes. **3** Self-adjusting tappets and breakerless ignition (on 1.3 and 1.6 engines). **4** Maintenance free wheel bearings. **5** Lubricated-for-life suspension, steering and door hinges. **6** Brake wear checking without removing wheels. **7** Centrally located fuses and relays. **8** Exterior bulbs replaced without tools. **9** See-through brake and clutch fluid containers. **10** Extended interval battery topping-up.

Latest technology applied to rust prevention

This is how we help keep rust at bay: After zinc phosphate anti-corrosion treatment, the body is given two coats of primer, then three coats of tough enamel paint are baked on. Window surrounds are made of aluminium which cannot rust. And the bonnet is made of zinc plated steel. Rust traps are designed out of the body. Box sections and door bottoms are protected by wax injection. Lower body panels are painted with a chip protection primer. And wheel arches and vulnerable underbody areas are treated with chip resistant PVC coating. The remaining underbody area gets a tough wax anti-corrosion sealant to protect against salt.

Styling used to be an art. Today at Ford it's a science

We call it "air flow management," the science of controlling the flow of air over, around and under the car. Thanks to efficient "air flow management" the new Escort emerged from the wind tunnel with a drag coefficient of only 0.385, the most efficient in its class. At 70 mph as much as 70% of a car's energy can be wasted simply overcoming wind resistance, so streamlined design contributes significantly towards reducing fuel consumption.



1 Integral tailgate spoiler reduces drag, and the whole rear end design creates an actively managed area of turbulence, that keeps spray and dirt off the back window whilst driving. **2** Front spoiler improves directional stability. **3** Aerodynamic radiator grille channels air over bonnet at high speed.

All independent suspension takes the rough smoothly

The new Escort's suspension is all independent, with coil springs all round. It not only gives a smoother, more comfortable ride, but also makes for sure, more predictable road-holding and handling. And there's a diagonally linked braking system with front discs, so that even if one circuit fails you can still stop on the straight and narrow.

See the new Ford Escorts at your Ford dealers now. And test drive an efficient car.

Range and Prices Escort 1.1 litre from £3374, Escort L 1.1 litre from £3695, Escort GL 1.3 litre from £4211, Escort Ghia from £4726. Maximum prices as at 26th Sept, 1980. Seat belts, car tax and VAT included. Delivery and number plates at extra cost.

FORD ESCORT

Ford

LOMBARD

False analogies with the 1920s

BY SAMUEL BRITTAN

WHENEVER there was a setback or recession, the glib comparison used to be with the Depression of the 1930s. This was a sufficient obstacle to understanding. But now an even more misleading comparison is coming into fashion.

The high sterling exchange rate, relative to British costs, is being compared with the 1920s when British industry missed out on the international boom partly because Winston Churchill as Chancellor insisted on restoring the pound to its 1914 gold parity. This led to the miners' strike and the General Strike of 1926, and Keynes's celebrated pamphlet, "The Economic Consequences of Mr. Churchill."

There are certainly superficial similarities. In both cases a parity out of line with the structure of money costs is putting pressure on export and import competing industries. In both cases there are low profits and layoffs as a result.

Difficult

But even in these terms, the story is not complete. No one has really explained convincingly why it was so difficult to bring about the 10 per cent cut in the British price level required to make the 1925 parity stick when a cut several times this size was made very quickly in the deflation of 1920-22.

Moving on to today, can one really compare the requirement for a slower increase in costs and prices in an inflationary international environment with the need in the 1920s for an actual cut in money costs—or deflation in the true meaning of the word? According to one computation the British money supply fell by an average of one per cent per annum in the five years to 1926.

The differences go much further. The difficulties of the 1920s were due to a deliberate policy of fixing the exchange rate at a high level. Today sterling is floating (as Keynes would have like in the 1920s) and the high exchange rate is a market rate. Any government influence is at most a by-product of monetary policies supposed to be geared to domestic stability (which Keynes also advocated as an alternative to the return to gold).

Is not this merely a difference in motivation? It is more than that. In the 1920s domestic demand was held back by a balance of payments constraint, that is by a fear that a more expansionary domestic policy would lead to a run on the gold reserves. Today the combination of North Sea oil and a floating rate has banished all such constraints. If the domestic monetary situation allows the authorities, for instance, to reduce Minimum Lending Rate, they need not be inhibited by fear of a loss of reserves.

North Sea

The most important difference I have left until last. The UK cost level in 1925 was too high to provide an overseas balance at a sustainably high level of activity, given the parity decision. Today North Sea oil allows sterling to stand at a premium over the level suggested by international cost comparisons. It does so because the availability of indigenous oil allows the current account to balance at a lower level of non-oil exports or higher level of import penetration than would otherwise be possible.

This makes things in some ways easier and in other ways more difficult. They are easier because the UK can maintain an overseas balance at a higher level of domestic costs than would otherwise be possible. They are also easier because of the large surplus over production costs earned by the oil itself. This yields an economic rent which is largely collected by the Government.

Things are more difficult because fuller employment cannot be obtained merely by maintaining a freely floating exchange rate, as was arguably true in the 1920s. Full employment also requires a shift of resources from traded goods to non-traded goods—in practice from manufactures to services.

While the overvaluation of the 1920s depressed the standard of living, today's oil premium increases it. But to reap the full potential increase in living standards, and to avoid unnecessary unemployment, the required shift in occupational structure may be a good deal larger than at the time when Churchill and Keynes crossed swords.

Euro-debate over the citizen's right to property

THE WEEK IN THE COURTS

BY JUSTINIAN

THE FIFTH Amendment to the U.S. Constitution guarantees that a citizen's private property will not be taken for public use without just compensation. No such constitutional right of property is conferred in this country, although the courts will always strive mightily to interpret any legislation in a way that is consistent with the right to property.

Those who fear that such protection is needed now more than ever before will probably look to the European Convention on Human Rights for the ultimate remedy against any future nationalisation without adequate payment for the property taken into state ownership.

Article 1 of the First Protocol to the European Convention for the Protection of Human Rights and Fundamental Freedoms provides that every natural or legal person is entitled to the peaceful enjoyment of his possessions, and that no-one shall be deprived of them except in the public interest and subject to the conditions provided for by law and by the general principles of international law. If people do derive comfort from that, they may not be entirely happy with the extent of the protection, or its continued availability.

Only last year a German company sought to invoke the provision of the protocol in circumstances where some 1500 Krugerrands, which had been obtained from the company by deception and were smuggled into this country by others, were seized and forfeited by the Customs*.

The Court of Appeal was prepared to acknowledge that, by international law, a state cannot confiscate the property of an alien by nationalisation except on due compensation. But it held that international law had no application to property that had been smuggled into a country contrary to its laws.

No rule of international law, it proclaimed, could invalidate English Customs legislation. The court added that in any event the convention was not part of English law, even though some attention might be paid to the principles of law that it enshrines.

The Krugerrands were thus forfeitable to the Crown, although the Customs as a matter of pure discretion, might release forfeited goods, or pay compensation. But the law could not force it to make restitution of the Krugerrands to an innocent alien or indeed a citizen of this country. The German company has so far not persuaded the Customs to exercise that discretion in its favour, and is preparing take its case to the European Commission of Human Rights at Strasbourg. It had better do it quickly.

The right of individual petition to the commission lapses next January, unless the British Government in the meantime renews the right. At present, there is a struggle waging within Government departments over this right, first introduced by the Labour administration in 1966. The Home Office, which has had the most bruising experience in the cases that have gone to the commission and to the court at Strasbourg — mainly over prisons and immigration—is advocating a withdrawal from this international obligation.

The Foreign Office is contrariwise, a stout proponent of the convention and its machinery which constitute the most refined and successful system for the international protection of human rights. Even though one or two decisions have not been found at all agreeable to politicians and administrators, the view is that it would be politically unwise to withdraw the right.

All the Europeans, except the French (who have never accorded their own citizenry any such right, let alone subject the French Government to any complaint from another country of the Council of Europe) would look at Britain with askance, not to say outright astonishment at this denial of a valuable remedy. The outcome is likely to be a renewal of the right of individual petition, probably for another five years.

In the unlikely event of a non-renewal, the citizen will cling to Britain's membership of the Common Market as the last resort of protection of private property, particularly in the light of a decision of the European Court of Justice at Luxembourg last December†.

Mrs. Liselotte Hauer is the owner of a plot of agricultural land in Germany. She applied to the Land Rhienland-Pfalz for authority to undertake the new planting of vines on her land. The authorities at first rejected her application on the ground that the land did not meet the requirements of suitability for vine growing.

The decision was based, not only on the lack of suitability but also on the prohibition on the new planting of vine varieties, classified as wine grape varieties, which had been introduced by an EEC regulation.

When Mrs. Hauer took her case to the German administrative tribunal, the authorities declared their willingness to grant the authority requested on the expiry of the Community prohibition which currently prevents them from doing so. But Mrs. Hauer argued that the prohibition could not be applied retrospectively.

Since her application was made before the regulation came into force, she was entitled to her authority.

The German tribunal referred the matter to the European court. It asked first whether the EEC regulation applied only to new planting of vineyards or whether applications before the entry into force of the regulation were also covered and second, if the regulation covered both, whether the prohibition was unaffected by the question of unsuitability of the land for winegrowing.

The interesting issue for the court was whether the prohibition on new planting of vines should be classified as an expropriation or merely as a restriction on the right of property.

The court did not find that question difficult to answer. The individuals affected by the prohibition were not being deprived of their property. They remained free to keep them for themselves or to transfer them to others. The content of the right of property was being reduced only to the extent that temporarily one particular form of enjoyment was being precluded, namely the planting of vines.

The temporary nature of the restrictive measure was important. Expropriation involves necessarily a deprivation of a permanent nature. In the course of coming to the conclusion that there was no breach of any right to property, both the advocate-general and the court had some comforting things to say about the applicability of the European Convention on Human Rights.

The court first warned that the question whether an EEC law was compatible with any provision of the constitutional law of a member-state was not to be determined by that national law. Nevertheless, measures taken under EEC law which were incompatible with the fundamental rights recognised collectively by the constitutions of the nine member-states were wholly unacceptable as part of EEC law.

Their validity would always be examined as a matter of EEC law. In short, international treaties for the protection of human rights to which the member-states are signatories—and the European convention is the prime and ready example—supply the guidelines which should be followed within the framework of EEC law. The court went on to conclude that the guaranteed right of property is, in fact, EEC law, simply because such right accords with the ideas common to the constitutions of the member-states and is reflected in the protocol to the convention.

Those who see little prospect for a Bill of Rights for this country and fear that there may be no renewal of the right of individual petition to Strasbourg will take comfort from the *Hauer* case, at least so long as a future Labour administration does not take this country out of the Common Market. Some way or other the protection of private property will be sustained through some legal channel of a European variety.

* *Allgemeine Gold und Silberscheideanstalt v. Customs and Excise Commissioners [1980] 2 W.L.R. 555*

† *Hauer v. Land Rheinland-Pfalz (Case 44/79) [1980] 3 C.M.L.R. 42*

Arc gives Sangster third win

RACING

BY DOMINIC WIGAN

THE REMARKABLE success rate of fillies in the world's most valuable thoroughbred race, the Prix de l'Arc de Triomphe, was maintained at Longchamp yesterday when Detroit got up to land the spoils.

Towards the rear of the field in the early stages, when Lindoro was setting a blistering pace in arguably the fastest conditions seen on Arc day in recent years, Detroit moved up behind the pace-setting Policeman and Ela-Mana-Mou on the turn into the short home straight.

From that point is became simply a question of whether she. Three Troikas or the rank outsider, Argument, could take back the Dick Hern-trained favourite. Ela-Mana-Mou, racing in felt-cushioned pads owing to the jarring ground, looked like holding on a furlong out, but in the final strides Detroit and the remarkably fast-finishing Argument proved just too strong.

The result could hardly have got the Robert Sangster-Pat Eddery partnership off to a better start, and, in Detroit, Sangster was seeing his emerald green, royal blue and white colours carried to success for the third time following the dual success of Alleged. Three Troikas, no more than half-a-length behind Detroit in fourth place, lost no cast in defeat, nor did Glenorum, who ran well for Lester Piggott.

Earlier in the afternoon Piggott was seen at his most powerful and rhythmic as he and Moorestyle got the better of Eddery on Sharpo after a protracted dual for the Prix de l'Abbaye Longchamp

In Saturday's Cambridgeshire at Newmarket, Tender Heart needed a clear run at the crucial stage to launch his challenge, but that wily old tactician, Joe Mercer, for once found himself with nowhere to go and in a matter of strides the biggest handicap gamble of recent years had been foiled.

The favourite finished so strongly from a hopeless position when running into the Dip that he was not more than 2½ lengths in arrears at the line.

WOLVERHAMPTON

2.00—Tapdancer***
3.00—Gradewell*
4.00—Royal Duty**

ENTERTAINMENT GUIDE

OPERA AND BALLET

COLISEUM. S. 836 3161. CC 240 5258. ENGLISH NATIONAL OPERA. Wed & Fri 7.30 La Belle Helene. Thurs, Sat & Tues 7.00 Cosi fan tutte. 104 balcony seats avail from 10 am on day of perf.

COVENT GARDEN. 240 1066. S (Gardenchage CC 836 6903). THE ROYAL BALLET. Thur & Sat 7.30 Enigma Variations, Gloria Rhapsody. THE ROYAL OPERA. Lucia di Lammermoor opens 14 Oct with Katia Ricciarelli & Jose Carreras. 65 Amphi seats avail for all perfs from 10 am on day of perf.

SADLER'S WELLS THEATRE. EC1 Bko Office 837 1672/3856 7535. Last Week Evgs 7.30. Mats Thurs 2.00 & Sat 2.30. NORTHERN BALLET THEATRE. Tonight & Tomor Eaters of Darkness & Coppelia. Wed, Thurs, Fri & Sat Cinderella. Oct 14-25: WHIRLIGIG THEATRE.

THEATRES

ADELPHI. CC. 01-836 7611. Evs. at 7.30 Sat 4.00 and 7.45. Mats. Thurs at 3.00. TONY BRITTON, LIZ ROBERTSON, PETER BAYLISS and ANNA NEAGLE in MY FAIR LADY. Group bookings ring 01-836 7358 or 01-379 6061.

ALBERY. 836 3878. CC bkgs. 379 6565 Gp. bkgs. 836 3962 or 379 6061. Evgs. 8.00. Thurs mat 4.30. Sat 5.00 and 8.15 Sian Phillips, Denis Lawson, Half Moon Production Rodgers & Hart's PAL JOEY.

ALDWYCH. S. 836 6404. CC. 379 6233. (10-6, Sats. 10-4). Info. 836 5332. Fully air cond. ROYAL SHAKESPEARE COMPANY. Seats available for low price previews. Ton't 7.30, Tomor 7.00. Then eves 7.30. Thu Sat mats 2.00. JUNO AND THE PAYCOCK by Sean O'Casey. This new production with Judi Dench and Norman Rodway celebrates Sean O'Casey's centenary. Group sales box office 379 6061. RSC also at The Warehouse and Piccadilly Theatres.

AMBASSADORS. S CC. 836 1171. Eves. at 8.00. Mats. Sats at 4.00 Donald Swann & Frank Topping in SWANN WITH TOPPING. Seats £2.50 £3.50, £4.50, £5.50.

APOLLO. S. CC. 01-437 2663 Grp. sales 379 6061. Evgs 8.00. Wed. 3.00 Sat. 5.00 8.00. RODNEY BEWES FRANCIS MATTHEWS in MIDDLE AGE SPREAD. Comedy of the Year West End Theatre Awards.

ARTS THEATRE. 836 3334-2132. Evenings at 8.0. Fri. & Sat. 6.30 & 9.00. Steven Berkoff's GREEK.

BOULEVARD, off Brewer St., W.1. 437 2661. Opens Tomor. Tues to Sun 10 pm Fri & Sat 8 & 10 pm. THE COMIC STRIP. London's newest anarchic cabaret.

CAMBRIDGE THEATRE. 01-836 6056. Credit card hotline 01-836 7040. 01-240 5679. Advance Box Office Now open. JOAN COLLINS, SIMON WILLIAMS, JAMES VILLIERS, ELSPETH MARCH and MICHAEL ADRIDGE in THE LAST OF MRS. CHEYNEY with IAN MASTERS and MOYRA FRASER. Directed by Nigel PATRICK. Opens October 23 at 7.0. Reduced Price Previews Oct. 21 & 22 at 8.0. £1.50, £3.00 £4.00, £5.00, £6.00. Subs. Evgs. Mon.-Fri. at 8.0. Thurs. 3.0. Sat. 5.0 & 8.30. Anti-inflation policy—seats at £1.50, £2.50 & £4.00 in stalls and royal circle. Students. Nurses OAP's £1.50. Group Sales 379 6061 & 336 6056.

COMEDY THEATRE. CC. 01-930 2578. Grp. sales Box Office 379 6061. Eves. 8.00. Mat. Sat at 5.00 CLEO LAINE as COLETTE with Kenneth Nelson and John Moffat. A story with music by John Dankworth.

CRITERION. 930 3216. CC. 379 6565. Group bkgs. 379 6061 or 836 3962. Eves. 8.00. Fri. & Sat. 6 & 8.45. Air conditioning. Robin Ray, Jonathan Adams, Martin Connor, Tricia George in TOMFOOLERY, the words and music and lyrics of TOM LEHRER.

DUCHESS TH. CC. 01-836 8243. Group sales 379 6061. Eves. 8.00. Sat. 5.30 & 8.30. Thurs. Mat. 3.00. MARIA AITKEN MICHAEL JAYSTON in Noel Coward's PRIVATE LIVES.

DUKE OF YORK'S. S. CC. 836 5122. Eves. 8.0. Fri. & Sat. 5.30, 8.30. FRANCES de la TOUR, DAVID de KEYSER in DUET FOR ONE by Tom Kempinski.

FORTUNE. 01-836 2238. Evenings 8.00. Sat. 6.00 & 9.00. EDWARD DUKE in JEEVES TAKES CHARGE by P. G. WODEHOUSE. From Oct. 11. Sats. 5.00 & 8.00.

GARRICK. CC. S. 836 4601. Evgs. 8.00 (sharp). Fri. and Sat. 5.30 and 8.30. WILLIAM FRANKLYN in Ira Levin's DEATHTRAP.

GLOBE THEATRE. S. CC. 01-437 1592. Group sales 379 6061. Eves. 8.0. Mat. Wed. 3. Sats. 5 and 8.15. LAST 2 WEEKS! Beryl Reid, Barry Foster, Peter Bowles, Jan Waters in a new play by Peter Nichols BORN IN THE GARDENS.

GLOBE. S. CC. 01-437 1592-439 6770. Opens Oct 22 7.0, subs 8.0. Sats 6.0 & 8.45. FOR A LIMITED SEASON ONLY HINGE & BRACKET AT THE GLOBE. BOOK NOW for BIG party REDUCTIONS 15 and over. Telephone 01-379 6061.

GREENWICH THEATRE. S. CC. 858 7755. Evgs. 8.0. Mats. Sat. 2.30 TIME AND THE CONWAYS by J. B. Priestley.

HAYMARKET. Theatre Royal. 01-930 9832. Evgs. 7.45. Wed. 2.30. Sat. 4.30 and 8.00. LEONARD ROSSITER, PRUNELLA SCALES in MICHAEL FRAYN'S MAKE AND BREAK. Directed by MICHAEL BLAKEMORE.

HER MAJESTY'S. 01-930 6606. CC. S. HALF PRICE PREVIEWS from Oct. 16. Opens Oct 21. A sensational Musical Melodrama THE STREETS OF LONDON by the celebrated author Dion Boucicault. Group Sales 01-379 6061.

KING'S HEAD. 226 1916. Dnr. 7. Show 8 FUNNY TURNS with Victoria Wood & the great Soprendo.

LONDON PALLADIUM. 01-437 7373. Opens Tonight at 7.30 for one week only. Tomor & Thurs at 9.0 Fri. 6.45. Wed & Sat 6.15 & 8.45. Britain's foremost entertainer Max Bygraves with guest star Broadway's Sensational Chita Rivera and her dancers. Seats £2-£8.50. C Cards accepted.

LYRIC. S. CC. 01-437 3686. Evenings 8.00. Wed. 3.00. Sats 5.30 and 8.30. DINSDALE LANDEN NICOLA PAGETT in ALAN AYCKBOURN'S TAKING STEPS.

LYRIC HAMMERSMITH. CC. 01-741 2311. Eves 7.30 (press night tomor 7.0). Thur Mat 2.30. Sats 4.30 & 8.15 THE WILD DUCK, Ibsen, a new translation by Ronald Hingley, director Michael Blakemore. With Richard Briers & Nerys Hughes. Book Now!
LYRIC STUDIO: From Thur at 8.0 THE POTSDAM QUARTET, David Pinner's new comedy, director David Giles. Book Now!

NATIONAL THEATRE. S. 928 2252. OLIVIER (open stage) Fri 7.00 (low price preview) THE ROMANS IN BRITAIN by Howard Brenton. Not suitable for children. LYTTELTON (proscenium stage): Ton't 7.45 WATCH ON THE RHINE by Lillian Hellman. Tomor 7.45 The Browning Version/Harlequinade.
COTTESLOE (small auditorium): Ton't 5.00 Part One (Creation to Nativity). Tomor 8.00 Part Two (Baptism to Judgement) of newly extended THE PASSION —Promenade perfs, all tkts standing £3. Students £1.20.
Excellent cheap tickets from 10 am day of perf all 3 theatres. Car park. Restaurant 928 2033. Credit card bkgs. 928 5933.

OLD VIC. 928 7616. CC 261 1821. S Ton't, Tomor Sat 7.30. Wed 2.00 Peter O'Toole in MACBETH. Directed by Bryan Forbes. Wed, Thur Fr. 7.30, Sat 2.00 Timothy West & Maureen O'Brien in THE MERCHANT OF VENICE. TOAD now bkg. 15 Dec. to 17 Jan.

PALACE. S. CC. 01-437 6834. RODGER'S & HAMMERSTEIN'S OKLAHOMA! Evgs. 7.30. Mats. Wed and Sat. 3.00. Group Sales box office 01-379 6061.

PALLADIUM. 01-437 7373. For one week 13-18 October. Mon 7.30. Tues-Sat 8.00. BRUCE FORSYTH. Tickets £2.00 to £6.50. CC accepted.

PICCADILLY. S 437 4506. CC bookings 379 6565 Mon.-Thurs. 8. Fri. & Sat. 6 and 8.40. Stalls from £2.90. ROYAL SHAKESPEARE COMPANY in Willy Russell's new comedy EDUCATING RITA. RSC also at Aldwych Warehouse.

PRINCE EDWARD. CC. 01-437 6677. Evgs. 8.00. Mats. Thurs. and Sat. 3.00. EVITA by Tim Rice and Andrew Lloyd-Webber. Directed by Harold Prince. Group sales box office 379 6061. Seats available for matinee performances.

PRINCE OF WALES THEATRE. 930 8681. Credit card bookings 930 0846. An evening with TOMMY STEELE and his company. Eves. Mon., Thurs. 8.30. Fri. and Sat. 6.00 and 8.30. Book Now. Last 8 weeks.

QUEEN'S. CC. 01-734 1166. Eves. 8.00. Sat. 4.30 and 8.00. Tom Courtney, Freddie Jones THE DRESSER. The new play by Ronald Harwood. Directed by Michael Elliott.

RAYMOND REVUEBAR. CC. 01-734 1593. At 7.00, 9.00, 11.00 pm. Opens Suns. PAUL RAYMOND presents THE FESTIVAL OF EROTICA. New Acts. New Girls. New thrills. 23rd sensational year. Fully air conditioned.

ROUND HOUSE. 267 2564. Scarborough Theatre in the Round. Opens Oct 14 at 7. Mon-Thur 8, Fri & Sat 5 & 8.15. Must end Oct 25. Alan Ayckbourn's prodn of his newest play SEASON'S GREETINGS.

ROYAL COURT THEATRE UPSTAIRS. 730 2554 SUBMARINES by Tom McClenaghan. Last Week. Evgs 7.30.

ROYAL COURT. S. CC. 730 1745. SUGAR & SPICE by Nigel Williams. Prevs from Thurs 8. Opens Mon 7. Sub Evgs 8. Sat. 5 & 8.30. Mon all seats £2.

SAVOY THEATRE. 01-836 8888. JOHN ALDERTON, PAULINE COLLINS in Charles Dyer's comedy RATTLE OF A SIMPLE MAN. Evgs. Mon.-Thurs. at 8.00. Fri. and Sat. 5.45 and 8.45. Reduced Group Bookings 839 3092.

SHAFTESBURY THEATRE. CC. 01-836 4255. Tickets £1 to £8. Mon.-Fri. 8.00. Weds. Mat. 3.0. Sat. 5.0 & 8.30. TOM CONTI & GEMMA CRAVEN in the musical THEY'RE PLAYING OUR SONG. Book by NEIL SIMON. Music by MARVIN HAMLISCH. Lyrics by CAROL BAYER SAGER. Group bookings 01-839 3092.

ST. GEORGE'S THEATRE. Tufnell Pk N7. 24 Hour Booking 607 1128. Tomor 2.30, 7.30 & Wed 7.30: THE MERCHANT OF VENICE. Tomor & Thurs 2.30: MACBETH. Thur, Fri & Sat 7.30: THE WINTER'S TALE.

ST. MARTIN'S. CC. 836 1443. Evgs. 8. Matinees Tues. at 2.45. Sat. 5 & 8. Agatha Christie's THE MOUSETRAP. World's longest-ever run. 28th year.

STRAND. 01-836 2660. Evenings 8.00. Mats. Thurs. 3.00. Sat 5.30 and 8.30. LONGEST-RUNNING COMEDY IN THE WORLD. NO SEX PLEASE — WE'RE BRITISH. Directed by Allan Davis.

STRATFORD-UPON-AVON. Royal Shakespeare Theatre (0789) 292271 Info (0789) 69191. Credit cards (0789) 287132. ROYAL SHAKESPEARE COMPANY in HAMLET tonight, Thur, Fri 7.30 AS YOU LIKE IT tomor 7.30 (Thur mat 2.00) RICHARD II (new prod) Oct 15 (red. prices), 16, 17, 18 mat & eve. RICHARD III (new prod) Oct 22 (red. prices) 23, 24, 25.

TALK OF THE TOWN. 01-734 5051. AIR CONDITIONING. CREDIT CARDS. LONDON'S GREATEST NIGHT OUT. From 8 o'clock. Dining and dancing 9.30 SUPER REVUE BUBBLY and in cabaret at 11 TONY MONOPOLY.

THEATRE ROYAL, Drury Lane. 836 8108. S. Denis Quilley. Sheila Hancock SWEENEY TODD. Broadway Musical. Winner of 8 Tony Awards. Evs. 7.30 Half price matinee Wed. Sat. 2.30. Seats from £2.50. Group sales box office 379 6061.

VAUDEVILLE. S. CC. 01-836 9988. Group sales 379 6061. Evgs. 8.00. Sat. 5.30 and 8.30. Wed. mat. 2.45. IAN OGILVY SHEILA GISH, JAMES COSSINS in STAGE STRUCK. A new thriller by Simon Gray. LAST WEEK MUST END SAT!

VAUDEVILLE THEATRE. CC 01-836 9988. Opens Oct 15 at 7. Subs. Mon.-Fri. 7.45 Sat. 5 & 8. JOAN PLOWRIGHT, COLIN BLAKELEY ENJOY. A new play by Alan Bennett, directed by Ronald Eyre.

VICTORIA PALACE. CC. 01-828 4735-6 01-834 1317. Evgs. 7.30. Mat. Wed. and Sat. 2.45. ANNIE. Group sales box office 379 6061. Now booking through Christmas.

WAREHOUSE. Donmar Theatre, Covent Garden. Box office 836 6808. ROYAL SHAKESPEARE COMPANY. Seats avail. Ton't 7.00. Tomor. Wed. Fri. Sat 7.30 premiere David Mercer's last play NO LIMITS TO LOVE. All seats £3.50. Students £2.00 in advance.

WESTMINSTER THEATRE. 01-834 0283. HUGH MANNING as C. S. Lewis in SONG OF THE LION. Eves 7.45 pm Must end Oct. 18.

WESTMINSTER. S. CC. 01-834 0283. MATS. ONLY. Mon.-Fri. 2.3 Sat 2.30. MR. WILBERFORCE MP by ALAN THORNHILL.

WHITEHALL THEATRE. 01-930 7765. CC Paul Raymond presents FIONA RICHMOND and a Bestful of Beauties in WOT NO PYJAMAS. Evgs. 8.30. Fri. Sat. 6.15 and 8.30.

WINDMILL. CC 01-437 6312. Twice nightly at 8.00 and 10.00. Suns. 6.00 and 8.00. Paul Raymond presents RIP OFF! Hotter than ever for 1980. The erotic experience of the modern era. Fifth great year.

WYNDHAM'S. S. 01-836 3028. CC bkgs. 379 6565. M-Thurs. 8. Fri. 8.40. Sat. 6 & 8.40. Dario Fo's farce ACCIDENTAL DEATH OF AN ANARCHIST.

YOUNG VIC. 928 6363. Evgs. 7.30. Shakespeare's KING LEAR. Tkts. £2.

CINEMAS

ABC 1 & 2 SHAFTESBURY AVE. 836 8861. Sep. perfs. All seats bkble. 1: A Stanley Kubrick Film THE SHINING (X). Wk. & Sun. 1.30, 4.45, 8.00. 2: GONE WITH THE WIND (A) 70mm Wk. & Sun. 1.55, 7.40 (last 3 days).

CLASSIC ENTERTAINMENT Teledata 01-200 0200

CLASSIC 1, 2, 3, 4, Chelsea King's Rd. 01-352 5096. Last performance bookable. 1: LA CAGE AUX FOLLES (AA). Progs. 3.30, 6.25, 9.05. 2: THE BIG RED ONE (AA) in Dolby Stereo. Progs. 2.15, 5.15, 8.30. 3: LAST 3 DAYS! FAME (AA). Progs. 2.00, 5.00, 8.20. 4: CRUISING (X). Progs. 2.20, 5.40, 8.55.

CLASSIC 1, 2, 3, Haymarket (Piccadilly Circus Tube). 01-839 1527. 1: THE SHINING (X). Progs. 12.50 (not Sun.) 3.20, 5.50, 8.20. 2: LAST FEELINGS (X). Progs. 12.55 (not Sun.) 3.15, 5.40, 8.05. 3: THE BIG RED ONE (AA) in Dolby Stereo. Progs. 1.05 (not Sun). 3.30, 5.55, 8.20.

CLASSIC 1, 2, 3, 4, 5, Oxford St. 01-636 0310 (opp. Tottenham Crt. Rd. Tube). Fully air conditioned. 1: XANADU (X) in Dolby Stereo. Progs. 1.00, 3.00, 5.00, 7.00, 9.00. 2: BREAKING GLASS (AA) in Dolby Stereo. Progs. 1.10, 3.30, 5.55, 8.20. 3: LAST 3 DAYS! KENTUCKY FRIED MOVIE (X). Progs. 1.15, 3.20, 5.30, 8.45. 4: McVICAR (X). Progs. 1.10, 3.30, 5.55, 8.25. 5: AIRPLANE! (A). Progs. 1.00, 3.00, 5.00, 7.00, 9.00.

CLASSIC, Leicester Square. 01-930 6915. LAST 3 DAYS! HARLEQUIN (X), TEXAS CHAINSAW MASSACRE (X-London). Progs 12.30 (not Sun.), 3.50, 7.15.

CURZON, Curzon Street, W1. 499 3737. Bertrand Tavernier's UNE SEMAINE DE VACANCES (AA). (English sub-titles). Progs. 2.00 (not Sun.), 4.05, 6.20, 8.40.

ODEON HAYMARKET. 930 2738-2771. Roy Scheider in a Bob Fosse film ALL THAT JAZZ (X). Sep. progs. Dly. 1.30, 4.40, 8.00.

ODEON LEICESTER SQUARE. 930 6111. DRESSED TO KILL (X). Sep. progs. Drs. Open Dly 1.00, 4.15, 7.30. All Seats Bookable at Theatre Box Office or by Post.

ODEON MARBLE ARCH. W2 723 2011-2. THE EMPIRE STRIKES BACK (U). Sep. progs. Drs. open dly. 2.30, 6.45. Evening progs. & weekends may be booked in advance.

STUDIO 3, Oxford Circus. 437 3300. Lic'd Bar. THE DEER HUNTER (X). 12.45, 4.05, 7.30. Lte. show Sat 10.50.

TV/Radio

† Indicates programme in black and white.

BBC 1

9.00 am For Schools, Colleges. 11.25 You and Me. 11.40 For Schools, Colleges. 12.45 pm News. 1.00 Pebble Mill At One. 1.45 See-Saw. 2.01 For Schools, Colleges. 3.15 Songs of Praise for Harvest—from Salisbury. 3.53 Regional News for England (except London). 3.55 Play School. 4.20 Winsome Witch. 4.25 Jackanory. 4.40 Jana of the Jungle. 5.00 John Craven's Newsround. 5.05 Blue Peter. 5.35 Paddington.
5.40 News.
5.55 Nationwide (London and South East only).
6.20 Nationwide.
6.55 Angels.
7.20 Star Trek.
8.10 Panorama.
9.00 News.
9.25 1980 Horse of the Year Show featuring The Butlin Championship.
10.45 Film 80 with Barry Norman.
11.15 Step This Way.
11.40 News Headlines.

All Regions as BBC-1 except as follows:

BBC Cymru/Wales—1.45-2.00 pm Tredwt. 5.55-6.20 Wales Today. 6.55-7.20 Heddiw. 11.40 News Headlines; News and Weather for Wales.

Scotland—11.00-11.20 am For Schools. 12.40-12.45 pm The Scottish News. 5.55-6.20 Reporting Scotland. 11.40 News Headlines; News and Weather for Scotland.

Northern Ireland—3.53-3.55 pm Northern Ireland News. 5.55 Scene Around Six. 6.20-6.55 Land 'n' Larder. 11.40 News Headlines, News and Weather for Northern Ireland.

England—5.55-6.20 pm Look East (Norwich); Look North (Leeds, Newcastle); Look North West (Manchester); Midlands Today (Birmingham); Points West (Bristol); South Today (Southampton); Spotlight South West (Plymouth).

BBC 2

6.40-7.55 am Open University.
10.00 Good For Business.
10.25 Role of the Nurse.
11.00 Play School (as BBC-1 3.55 pm).
11.25 Write Away.
2.15 pm Let's Go.
3.00 Make Your Own Furniture.
3.30 Time Out of Mind.
4.15 Speak For Yourself.
4.50 Open University.
6.55 The Nutcracker and the Mouse King.
7.15 Mid-Evening News.
7.25 Living on the Land.
7.50 Wainwrights' Law.
8.15 Shirley Bassey.
9.00 Rhoda.
9.25 Horizon.
10.15 Rock Week Concert.
10.45 Newsnight.
11.40 Heute Direkt.

LONDON

9.30 am Schools Programmes. 12.00 We'll Tell You a Story. 12.10 pm Rainbow. 12.30 Public Office. 1.00 News, plus FT Index. 1.20 Thames News. 1.30 Crown Court. 2.00 Against The Wind. 2.30 Monday Matinee: "The Mouse That Roared," starring Peter Sellers, David Kossoff and Jean Seberg. 4.15 Kidnapped. 4.45 Clapperboard. 5.15 White Light.
5.45 News.
6.00 Thames News.
6.35 Crossroads.
7.00 Give Us A Clue.
7.30 Coronation Street.
8.00 Keep It In The Family.
8.30 Just Liz.
9.00 "The Last Ride of the Dalton Gang," starring Jack Palance and Dale Robertson.
10.00 News.
10.30 "The Last Ride of the Dalton Gang" (continued)
12.15 am Close: "Sit Up and Listen," with Barbara Cartland.

All IBA Regions as London except at the following times:—

ANGLIA

1.20 pm Anglia News. 2.00 About Britain. †2.30 Monday Film Matinee: "The History of Mr. Polly," starring John Mills and Megs Jenkins. 5.15 The Brady Bunch. 6.00 About Anglia. 6.30 EMI UK Disco Dancing Championship 1980. 12.15 am Reflection.

ATV

1.20 pm ATV News. 2.00 About Britain. 2.30 The Monday Matinee: "Bedtime Story," starring David Niven, Marlon Brando and Shirley Jones. 5.15 Mr. and Mrs. 6.00 ATV Today. 9.00 Vegas. 10.30 Left, Right and Centre. 11.10 ATV News. 11.15 Danger U.X.B. 12.15 am Something Different.

BORDER

1.20 pm Border News. 2.00 About Britain. 2.30 Monday Matinee: "Skyjacked," starring Charlton Heston. 5.15 George Hamilton IV. 6.00 Lookaround Monday. 6.15 Mr. and Mrs. 6.45 Brian Of The Border. 12.15 am Border News Summary.

CHANNEL

1.20 Channel Lunchtime News, What's On Where, and Weather. 2.00 About Britain. 2.30 The Monday Matinee: "Don't Drink the Water." 5.15 Happy Days. 6.00 Channel News. 6.10 Cities . . . Melina Mercouri's Athens. 10.28 Channel Late News. 12.15 am News and Weather in French.

GRAMPIAN

9.25 am First Thing. 1.20 pm North News. 2.00 About Britain. 12.30 Monday Matinee: "Seven Days To Noon." 5.15 Mr. and Mrs. 6.00 North Tonight. 6.35 Out of Town. 12.15 am Reflections. 12.20 North Headlines.

GRANADA

1.20 pm Granada Reports. 2.00 About Britain. 2.30 Monday Matinee: Richard Attenborough in "Sea of Sand." 5.15 Happy Days. 6.00 Granada Reports. 12.15 am Superstar Profile.

HTV

1.20 pm HTV news. 2.00 About Britain 2.30 Monday Matinee: "The Counterfeit Killer," starring Jack Lord and Shirley Knight. 5.15 Mr. and Mrs. 6.00 Report West. 10.28 HTV News.

HTV Cymru/Wales—As HTV West except: 10.05-10.20 am About Wales. 10.40-11.00 The French Programme. 11.05-11.20 Am Gymru. 12.00-12.10 pm Ffalabalam. 2.00-2.30 Hamdden. 4.45-5.15 Sêr. 6.00 Y Dydd 6.25-7.00 Report Wales 8.30-9.00 Y Wythnos.

SCOTTISH

1.20 pm News and road and weather. 2.00 About Britain. 2.30 Monday Matinee: "A Circle of Children," starring Rachel Roberts. 5.15 Mr. and Mrs. 6.00 Scotland Today 6.40 Crimedesk. 12.15 am Late Call.

SOUTHERN

1.20 pm Southern News. 2.00 Houseparty. 2.25 "Pirates of Tripoli," starring Paul Henreid. 3.45 About Britain. 5.15 Diff'rent Strokes. 6.00 Day By Day, including Southsport.

TYNE TEES

9.20 am The Good Word followed by North East News. 1.20 pm North East News and Lookaround. 2.00 About Britain. 2.30 Monday Matinee: "The Card," starring Alec Guinness. 5.15 The Adventures of Black Beauty. 6.00 North East News. 6.02 Double Top. 6.30 Northern Life. 10.30 North East News. 12.15 am Three's Company.

WESTWARD

1.20 pm Westward News Headlines. 2.00 About Britain. 2.30 The Monday Matinee: "Don't Drink the Water," starring Jackie Gleason. 4.12 Gus Honeybun's Birthdays. 5.15 Happy Days. 6.00 Westward Diary. 10.31 Westward Late News. 12.15 am Faith for Life. 12.20 West Country Weather and Shipping Forecast.

ULSTER

1.20 pm Lunchtime. 2.00 Against The Wind. 2.30 Monday Matinee: "In the Matter of Karen Ann Quinlan," starring Brian Keith, Piper Laurie and Biff McGuire. 4.13 Ulster News. 5.15 Mr. and Mrs. 6.00 Good Evening Ulster. 10.29 Ulster Weather. 12.15 am Bedtime.

YORKSHIRE

1.20 pm Calendar News. 2.00 About Britain. 2.30 Monday Matinee: "In The Matter of Karen Ann Quinlan," starring Brian Keith and Piper Laurie. 5.15 Mr. and Mrs. 6.00 Calendar (Emley Moor and Belmont editions). 6.35 Happy Days. 12.15 am The Jazz Series, hosted by George Chisholm and His Gentlemen of Jazz.

F.T. CROSSWORD PUZZLE No. 4,392

ACROSS

1 Hide sporting swindle (4, 4)
5 Company gets politician to join the Spanish force (6)
9 Drawback having boat under tutelage (8)
10 Beaten like an earl (6)
11 Key artist against approval being given to essence of charge (8)
12 Part of flower I split another way (6)
14 Approaching Holland by sea out of difficulty (3, 3, 4)
18 Ordinary seaman found in cellar (6, 4)
22 Agree to get Bill to give up (6)
23 One of the don't knows (8)
24 One enters factory to become supple (6)
25 Drink to skier at Lord's (8)
26 Stage distinction (6)
27 Not feeling pulse of racial equality (4, 4)

DOWN

1 Refuse stitch on time (6)
2 Fashionable way to raid (6)
3 Gossip about fuel reserve (6)
4 Might receive writing sent by post (6, 4)
6 Partial opening number joined forces (3-5)
7 Request in writing to pamper it a tiny bit (8)
8 Boy before end of day gets to be fond of feminine (8)
13 Child from prison camp growing up in cave (10)
15 Fought to be thrown away (8)
16 Pole with derisive attitude to garment ornamentation (8)
17 Study crowded express in fewer words (8)
19 Battered company took off (6)
20 Way air-force takes on eastern bomb (6)
21 Ought church to chance fur? (6)

The solution to last Saturday's prize puzzle will be published with names of winners next Saturday.

RADIO 1

5.00 am As Radio 2. 7.00 Dave Lee Travis. 9.32 Simon Bates with The Golden Hour—part 1: 1974. 10.32 Andy Peebles. 12.30 pm Newsbeat. 12.45 Paul Burnett. 2.32 Simon Bates with The Golden Hour—part 2. 3.32 Peter Powell. 6.31 Stayin' Alive. 7.31 Mike Read. 10.02-12.00 John Peel (S).

RADIO 2

5.00 am News Summary. 5.03 Ray Moore (S). 7.32 Terry Wogan (S). 10.03 Jimmy Young (S). 12.03 pm David Hamilton (S). 2.03 Ed Stewart's Request Show (S). 4.03 Much More Music (S). 6.03 John Dunn (S). 8.02 Folk on 2 (S). 9.02 Humphrey Lyttelton with the Best of Jazz on record (S). 9.55 Sports Desk. 10.02 Free Spin. 10.30 Star Sound. 11.02 Sports Desk. 11.05 Brian Matthew with Round Midnight, including 12.00 News. 2.02-5.00 am You And The Night And The Music (S).

RADIO 3

6.55 am Weather. 7.00 News. 7.05 Overture (S). 8.00 News. 8.05 Morning Concert (S). 9.00 News. 9.05 This Week's Composer (S). 10.00 Scarlatti and Bach on the Piano (S). 10.45 Sheffield University Concert: Chamber music recital (S), part 1. 11.25 Interval Reading. 11.30 Recital, part 2 (S). 12.05 pm North Wales Music Festival 1980 concert, part 1 (S). 1.00 News. 1.05 North Wales Music Festival, part 2 (S). 1.40 Bernadette Greevy song recital, part 1 (S). 2.20 Interval Reading. 2.25 Song recital, part 2 (S). 3.00 Matinee Musicale (S). 4.00 New Records (S). 4.55 News. 5.00 Mainly for Pleasure (S). 7.00 "Carnaval," by Schumann (S). 7.30 Thoughts on Music and Literature. 8.30 Varèse from Paris, part 1 (S). 9.30 Delivering the Wildcat (short story). 9.50 Varèse from Paris, part 2 (S). 10.30 Jazz in Britain (S). 11.00 News. 11.05-11.15 Vivaldi (S).

VHF Only—12.00-1.00 am Open University for students in Radio Scotland and Radio Cymru areas only.

RADIO 4

6.00 am News Briefing. 6.10 Farming Week. 6.25 Shipping Forecast. 6.30 Today, including 6.45 Prayer for the Day. 7.00, 8.00 Today's News. 7.30, 8.30 News Headlines, 7.45 Thought for the Day. 8.35 The Week on 4. 8.45 "Loosely Engaged" by Christopher Matthew. 9.00 News. 9.05 Start the Week with Desmond Wilcox. 10.00 News. 10.02 Money Box. 10.30 Daily Service. 10.45 Story Time. 11.00 News. 11.05 Sibonga—the account of the rescue of hundreds of Vietnamese "boat people" aboard the British cargo ship Sibonga. 11.50 Poetry Please! 12.00 News. 12.02 pm You and Yours. 12.27 It Makes Me Laugh. 12.55 Weather: programme news. 1.00 The World at One. 1.40 The Archers. 1.55 Shipping forecast. 2.00 News. 2.02 Woman's Hour. 3.00 News. 3.02 Afternoon Theatre. 4.35 Askey's Hall of Fame (Jimmy Wheeler). 4.45 Short Story. 5.00 PM. News magazine. 5.50 Shipping forecast. 5.55 Weather; programme news. 6.00 News. 6.30 Rumpole (S). 7.00 News. 7.05 The Archers. 7.20 Quote . . . Unquote (S). 7.50 The Monday Play (S). 9.20 Just the Job. 9.30 Kaleidoscope. 9.59 Weather. 10.00 The World Tonight. 10.30 Science Now. 11.00 A Book at Bedtime. 11.15 The Financial World Tonight. 11.30 Today in Parliament. 11.40 Music at Night. 12.00 News.

BBC Radio London

5.00 am As Radio 2. 6.30 Rush Hour. 10.03 The Robbie Vincent Telephone Programme. 1.03 pm London Live. 4.30 London News Desk. 5.35 Music on The Move. 7.03 Black Londoners. 8.00-5.00 am Join Radio 2.

London Broadcasting

6.00 am AM—Bob Holness and Douglas Cameron. 10.00 Brian Hayes. 12.00 LBC Reports. 8.00 pm After Eight Special. 9.00 Mike Dickin—Nightline. 12.00 LBC Reports Midnight. 1.00 am Night Extra. 3.30 LBC Cinema. 4.00 After Eight Sunday (repeat). 5.00 Morning Music.

Capital Radio

6.00 am Mike Smith's Breakfast Show (S). 9.00 Mike Allen (S). 12.00 Graham Dene (S). 1.00 pm London Today (S). 1.10 Graham Dene (continued). 3.00 Roger Scott (S). 7.00 London Tonight with Sarah Ward (S). 9.00 Alan "Fluff" Freeman (S). 11.00 Tony Myatt's Late Show (S). 2.00 am Night Flight.

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FINANCIAL TIMES

EUROPE'S BUSINESS NEWSPAPER

THE ARTS

Glasgow Citizens'

The Caucasian Chalk Circle

by MICHAEL COVENEY

Good productions of Brecht's narrative parable usually rely on the *separate stories* of Grusha and Azdak being told vividly in their own right before conveniently converging at the end. A more serious problem is always the prologue which is essential to the *didactic* flavour of the piece but obscure and dated. Giles Havergal's solution to the latter challenge is to set the prologue in a Soviet committee room where a delegate *hands out printed arguments* to the cast seated around a long table. Only one peasant seems to be the genuine article. The others take sides as ordered on whether the valley should be turned over to goats or *fruit* trees.

The meeting breaks up with the arrival of "a people's artist," an actor. Steven Dartnell then supervises the entertainment like some anorexic Tadeusz Kantor in black suit and spats. The bunched curtain ascends to reveal a "picture" of a stage: rigging violently hanging traverse cloths, candles, sawn-off pillars, bits of foliage. *The stage awaits* usage. The committee don masks and assume roles. Throughout they will remain participants in a charade. All speak with a tinge of a Russian accent. Grusha's hair is luxuriantly piled.

It is as if the cast are acting in quotation marks. But the extraordinary thing is that the emotional content breaks through none the less. Sian Thomas is a splendid Grusha, not at all the usual grim-faced bat in a headscarf. As the governor's family frantically stow their things in huge packing cases, the stage suddenly freezes for her farewell to Simon. The child she saves is a bundle, but he is also Rylance Waters, a fully grown boy who gives a remarkable performance of concentrated anonymity on the sidelines, following Grusha on her journey and producing a wide and effective range of baby squeals and tantrums before occupying centre stage for the maternal tug of war.

The other major idea is to interleave the two stories, so that by the time Azdak comes to decide Grusha's fate with the test of the chalk circle, the incident, although climactic, is just another example of crazy justice being done. The device also protects Bill Leadbitter from giving the sort of steam-rolling charismatic performance of which—and no particular offence is intended—he is incapable. Brecht said the best actor should play Azdak. But the Citizens do not deal in blockbuster heroic *star turns*. Without such an Azdak the play is undoubtedly weakened, but the intelligence of Mr. Havergal's interpretative approach is some compensation.

The comic highlights survive intact, notably the wedding of Grusha to a groom on his death-bed. I have always thought of the drunk monk as an embryonic Azdak and, sure enough, Mr. Leadbitter turns up in the part to complete a resonant double. The staging throughout is clear and full of confidence. The governor's family wear the most beautiful Chinese masks—the designer is Geoff Rose—and the flight of the governor's wife is done as a breathtaking mime through a sea of silent actors. Also effective is the *crossing of the windswept* ravine, with Grusha and Mr. Waters stepping across the backs of prostrate colleagues who signal the bridge's collapse by dropping a line of stage braces to the floor.

Stephen Oliver's music sounds much better than it did in the RSC recent revival, partly because the cast avoid po-faced Brechtian stances, but chiefly because there is, unlike at the RSC, real impulse behind the presentation. In fact, the entire show is another glorious demonstration of how the Citizens set about imaginatively breaking the Brechtian mould and giving his work fresh life. *The translation used* is that of James and Tania Stern with W. H. Auden.

Albery

Pal Joey by B. A. YOUNG

The Half Moon Theatre's production of *Pay Joey* worthily takes its place in a West End rich in musicals. Its move to the bigger house hasn't harmed the intimacy of Robert Walker's original direction for the little theatre in the Mile End Road. It's grown up quite a bit, that's all, with some cast changes, less doubling in the supporting parts and extra space in the stage designs of Mike Bearwish. The band is more comfortably housed, on the OP side of the stage. The eight stout-hearted girls at Chez Joey's are still a line of sturdy individualists, no matter how well, or how ingeniously badly, they combine in Stuart Hopps's routines. Amplification intrudes between us and their pristine voices, but it's discreetly done. In "The Flower Garden of My Heart" it's pretty to hear how they contrast their coarse Chez Joey voices with the sweeter sounds they make for musical effect in John Fiske's effective scoring.

Sian Phillips confirms her emergence as a first-rate musical actress. Her Vera Simpson, the man-eating lady who sets Joey up in his club, is a nice anthology of wealthy vulgarities collected not so much from life as from stage, film and newspaper. She is equally at home in Lorenz Hart's songs and the grisly fun of John O'Hara's dialogue, and the clarity of her singing in exemplary. The unbowdlerised lyrics of "Bewitched, Bothered and Bewildered" as she sings them sound as natural as spoken lines.

Denis Lawson's Joe is fine, too, with its squalid vanity, its complete lack of honesty that makes "I could write a book" sound as if Adele were the love of his life after five minutes. Yet he demonstrates enough cabaret talent to suggest that he really might once have thought he could go to the top on his *merits. Adele (Jan Gurnett)* is the only estimable character in the play, so naturally comes to a sad end. I liked Miss Gurnett very well, and I liked Alan Tilvern as Ludlow the agent in his brief, unsuccessful shot at blackmail. Darlene Johnson is now on hand to play Melba, the gossip-writer who sings "Zip!" with its list of mock intellectual references, some of which have already come up for a second life. Can they make the Metropolitan pay?—It's just been closed by striking musicians. Will Saroyan write a good play?—You can go to the Half Moon and see.

Book, lyric, music (virtually Richard Rodgers's last before turning sentimental in *Oklahoma!*), singing, dancing, costumes — what a marvellous *show* this is!

Sadler's Wells

Eaters of Darkness

Tonight and tomorrow there are chances to see Paula Hinton Gore in *Eaters of Darkness*, a ballet by her late husband, Walter Gore. Gore, who died last year, was too little honoured by British ballet in the past decade, for his creations have a theatrical energy, a resource in invention, often missing from the work of younger choreographers. Paula Hinton, a dramatic ballerina able to plumb depths of suffering with a fine and revelatory talent, is an exemplar to today's mousey soloists of the *theatrical daring* and lightning-lit intensity of expression that are the sign of the true *monstre sacré*.

Eaters of Darkness, which Northern Ballet Theatre preserve—*to their great credit*—as part of a legacy of Gore ballets, is based on an historical incident concerning a woman unjustly committed to a 19th-century asylum, raped and driven mad, and achieving macabre revenge. It is *grand guignol* ballet, but crackingly effective theatre, and Paula Hinton plays the woman for all the part is worth.

On Friday night NBT dancers gave her brave support, with Peter O'Brien and Machael Souter very effective as chief inmates. But it was wholly Hinton's ballet, a heady exercise in wither-wringing. Hinton's dancing is big, clear, very musical and unafraid of the truth: madness and murder cannot be pretty, nor does she show them so, though initially there are moments which recall her magnificent *Giselle* during the 1950s. Hinton knows how to pierce to the heart of feeling. How potent her grief over a young man who has been killed and no less so Gore's touching presentation of the other inmates' sorrow; how gripping the way Hinton tosses back her head, then starts a mad walk which preludes her strangling of the man who has raped her. Unforgettable he final progress round the cell, silence broken only by the tearing noise as she rips at the walls, tension grandly sustained until she screams.

And to relieve the tension thereafter, *Coppélia* in Peter Clegg's production, geared to the company's size and to the idea of regional identification. Clegg's staging is based on the Royal Ballet version which he knew as a principal of the company. The choreography is *honourably revived*; the dancers have been infused with the same liveliness that Clegg brings to his jovial impersonation of Dr. Coppélius. The story has been re-located, purporting to take place on a Lancashire village green, but music, costuming, atmosphere are obstinately, sunnily Hungarian.

Friday night's Swanilda—and the company fields three peasant heroines—was Lynn *Jezzard*, a *fetching*, lively dancer. Her Franz was Martin Bockstaele, cheerfully doing all those tiresome things that Franz must do.

The company dashed and stamped through the peasant dances with tremendous goodwill. *Coppélia* is alive and reasonably well, and living in Manchester.

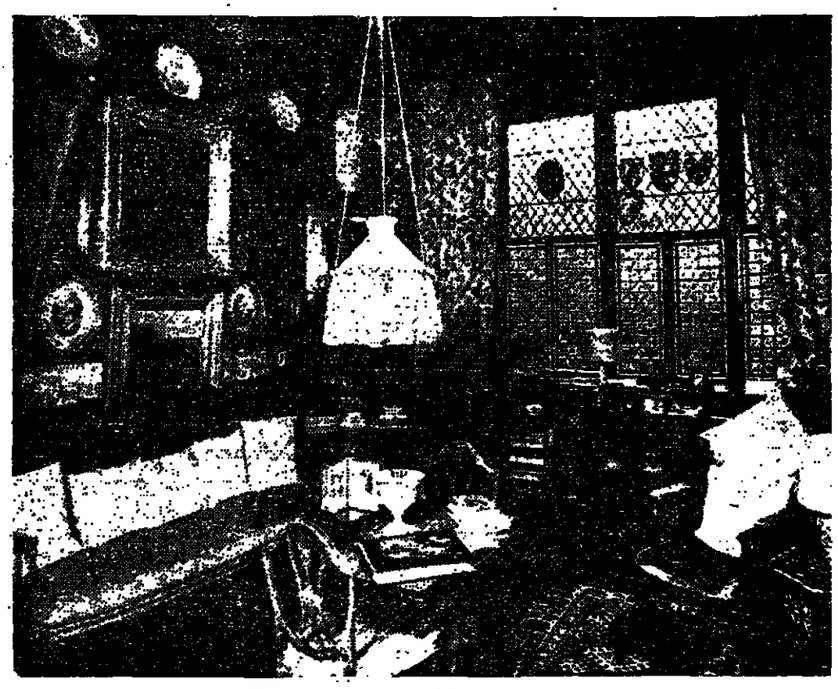
CLEMENT CRISP

Benson & Hedges Gold Award result

The Benson and Hedges Gold Award for concert singers was won on Saturday by Henry Herford, baritone.

Two wingers were placed second in the competition, held at Snape Maltings, Christopher Underwood (baritone) and Glyn Davenport (bass baritone).

Lynda Russell, soprano, was fourth.



The morning room of Linley Sambourne House

Architecture

London's new museum

by COLIN AMERY

A very important gap in our understanding of the history of London has been filled by the opening to the public of No. 18 Stafford Terrace, London, W.8. *It is a typical* Kensington house of the 1870s, standing in a street of similar houses on the Phillimore Estate just above Kensington High Street.

The owners of this house were, however, far from typical. It belonged to Linley Sambourne an artist working for Punch magazine, who lived there from the early 1870s until his death in 1910. His son lived a bachelor life there until 1946 under the protection of his sister Maud who had married Leonard Messel Mrs. Messel cared for the house until she died in 1960, when her daughter Anne, Countess of Rosse, took on the task of maintaining the rare atmosphere of her family home.

The remarkable thing about this house is that it has been lived in by an uninterrupted sequence of six generations of the same family and it remains in its furnishings and atmosphere a house of the 1870s, '80s and '90s.

Lady Rosse, with several of her friends, founded the Victorian Society in the house in 1958 and she has ensured that the distinctive appeal will be treated with the utmost respect by asking the Society to run the house as a public museum. But it is not like a museum at all: in fact, it still feels like a home and that is why it fills such a gap in our knowledge of what it felt like to live in London in the 1870s.

The house and its contents have been purchased by the Greater London Council with the aid of a grant from the Land Fund. The Victorian Society iwth a corps of volunteers is responsible for showing the house to the public.

It is the complete and rich decoration of the interior that is immediately apparent as you step through the front door into the hall. The combination of William Morris pattern carpets (modern but appropriate), *plush curtains, Morris green* Willow wallpaper on the main wall and Morris Pomegranates on the ceiling, a maroon dado with Greek key borders and pampas grasses, antlers and *lamps, is rich indeed. The walls* are hung with a variety of photographs of classical statuary and a large number of Sambourne's *Punch* cartoons.

The dining room is at the front of the house, on the ground floor, and here the decoration is dark green and gilt, with some painted furniture and stained glass. The brass fire irons sparkle, and it is easy to imagine the firelight reflected in the blue and white china that ornaments the encircling shelf at frieze level. Gaslight, port and Havana cigar smoke still seem to fill this room and you can almost hear the starched *rustle of a parlour*maid on her way upstairs from her basement domain. The morning room is also on the ground floor and is equally full of pattern and colour. Some charming Kate Greenaway drawings and a portrait of a lovely girl by Luke Fildes are particularly *worth seeing*.

The entire first floor of the house is occupied by the drawing room. Here again scarcely an inch of wall is to be seen between the pictures and *ceramics. Photograph albums*, Sambourne's easel and many of his drawings and books make it clear that this was a room where the artist worked and entertained. Drawers are full of letters and diaries which will in time present a full and clear picture of the house and the family. The two bedrooms that are shown are both typical of their period. Roy Sambourne's room is particularly evocative of an Edwardian London bachelor's life.

The house is to be known as Linley Sambourne House and will initially be open by *appointment. It is a great* asset to London, where there are relatively few "house museums."

There is nothing so agreeable as looking at other people's *houses and now, thanks to Lady* Rosse's devoted preservation and the remarkable work of the Victorian Society, it is possible to relive a moment of London life in the 1870s.

*Details about opening arrange*ments available from the Victorian Society, 1 Priory Gardens, London, W.4.

Festival Hall

Pollini by ANDREW CLEMENTS

His London appearances usually stay etched in the memory, but I cannot recall Maurizio Pollini playing Stravinsky's Three Movements from *Petrushka* before here. Yet the recording of them he made in the early *1970s* was important in bringing his name before a wider public, and the disc has since become an icon, a yardstick by which other displays of keyboard virtuosity may be *measured. So on Friday even*ing the Movements brought Pollini's Festival Hall recital to a triumphant, glittering close, the technical brilliance as sharply focused as ever. But it was an ending to a puzzling, sometimes unsatisfactory programme in which the perperformances were never less than freshly laundered, but the impulse become them was sometimes wayward.

Debussy is a new composer in Pollini's pantheon, at least as far as Britain is concerned. He played a selection of *six pre*ludes from Book 1, predictably omitting the less serious character pieces, and concentrating instead on the more radical pianistic experiments. The final three were superb: "Des pas sur la neige" limpid, a study in neutrality, the abandoned melody wandering, beautifully shaped, through the piece; "Ce qu'a vu le vent de l'ouest" extracting a torrent of sound from what generally seemed to be an unsatisfactory instrument; "La cathédrale engloutie" building to and through a majestic central section But "Voiles" had been perversely *unmagical, the* rhythm maintained in martial strictness (Debussy tempers his Modéré marking with "Dans un rhythme sans rigueur et caressant") chords often isolated when sense suggested a more continuous phrasing. "Le vent dans la plaine" opened crisply, wonderfully articulated, the *gusting chords opening out the* piece thrillingly, but there was no relaxation, never a hint of high spirits.

The urge to keep matters on the move had also characterised the set of Chopin's preludes that made up the first half of the recital. The outlines have softened somewhat since Pollini recorded the work; there is more generous pedalling and bass lines now are sometimes dissolved into a haze. But the more stormy preludes remained quite overwhelming, even when the rubato elsewhere sometimes seemed acquired rather than *natural, and the tonal palette* impoverished. More than usually with a Pollini recital the lasting impressions were of physical effects; the torrents of triplets in the final D minor prelude, for one instance, were astonishing in their ferocity and accuracy.

Covent Garden

The Ring concluded

Wagner's *Ring des Nibelungen* filled last week resoundingly at the Royal Opera, where Colin Davis and Götz Friedrich have forged a cycle of great imaginative power. Ripeness is the least of its merits—it is too ingenious, too eager to take chances for that; but Davis's maturing as a Wagnerian over the six years since this *Ring* began has been impressively convincing, and vital stretches of the score have acquired spledid weight and breadth. Siegfried's Funeral March and the final orchestral catastrophe were magnificently realised, but so were the Forest Murmurs, all heat-haze and mysterious intimations (Another all-too-human Woodbird, though: are there no *bright, penetrating, small* soprano voices any more?) Friedrich's vision of the Norns' Prologue—not "experimental" but exactly right — was memorably incarnated by Patricia Payne, Linda Finnie and Milla Andrew; the scene has never seemed less superfluous.

I thought Davis pressed the Wotan-Erda dialogue rather hard, and that Norman Bailey's Wotan *lost something by it. The* banked fires of this Wotan were better felt in his meeting with Alberich, where dangerous power glinted through. The first act of Siegfried was dominated by Paul Crook's brilliant Mime, a distracted spider (less funny-voice singing would make the sketch sharper still). The lyrical ease of Alberto Remedios's Siegfried was an asset throughout, and his disarming grin saved the potentially embarrassing moments in the forest act, though his German was obscure and sometimes original. His cheerful boyishness was well set against the more complicated maturity of Gwyneth Jones's Brünnhilde in the great *Siegfried* duet, where they conveyed more psychological depth and growth than Friedrich's very bald staging indicates.

There, Miss Jones's control of her huge, waywardly lovely voice was at its most secure. There were phrases of singlar beauty and a sure sense of the overriding dramatic line. She carried the drama of *Götterdämmerung* too, but more anxiously; gustiness threatened in the Prologue due; and sheer fervour had to cover much slippery detail in the oath scene and the immolation. The Gibichungs remain a problem: Friedrich's flatly unsympathetic *view of them—particularly his* Gutrune, a blatant, knowing siren—leaves them undersized. (It was easy to imagine how much more Rudolf Constantin and Linda Esther Gray might have discovered in the characters. When Wieland Wagner treated Gutrune similarly, he had the sense to delete her touching midnight monologue, which now carries no emotional weight at all.)

*The skittish, giggly Rhine*maidens are a good idea, though their trio-balance was askew; orchestral ensemble did not reach the high level of the earlier evenings and the Vassals answered a trifle raggedly to the grand summons of Fritz Hübner's Hagen. Those incidental failings did nothing to blur the sense of urgent, enthusiastic purpose, musical and theatrical, that distinguishes *this Ring*. It benefited from an alert Promenade audience, thanks to the inspired generosity of Midland Bank.

DAVID MURRAY

Wigmore Hall

Nash Ensemble

Saturday's concert was the second in the current Nash Ensemble series. "Beethoven and his contemporaries." That the Nash have mastered the art of compiling a series in which instruction and entertainment are the fairly measured rewards is already attested; that sometimes the concerts themselves fail to fulfil their promise seems to me no less so.

Two "concertante" chamber works of the early 19th century framed a programme (devoid on this occasion of Beethoven) otherwise devoted to song settings of the same four poems by Schubert and Loewe, and to Schubert's *Notturno*. The performance of Spohr's C minor Quintet for piano and wind was musicianly and (except when, excusably, Ian Brown's fingers *stumbled over the quantities of* crystalline piano tracery) unfailingly precise; yet little of the special Spohr flavour came through, little of the peculiar domesticated brilliance, in which no element is permitted to stand out with a too disconcerting boldness, and in which a mellow tune can be relied upon for slow movements (this Larghetto is of notable beauty). The notes slipped mildly into place, well-studied rather than lived.

In the Weber Clarinet Quintet—admittedly, a work of remarkably distinctive romantic vivacity—one noted a singular difference. The clarinettist, Antony Pay, had discovered just the dramatic forwardness of delivery missed earlier in Spohr, and the exchange between him and the strings (despite a not entirely *sweet-toned first violin* line from Marcia Crayford) became correspondingly vivid.

In the settings of "Wanderers Nachtlied," "Der Fischer," "Der Sänger," and "*Ganymed*" *by Schubert* (before the interval) and Loewe (thereafter), the soloist was Thomas Allen, self-effacingly partnered by Mr. Brown. The opportunities thus provided for comparison and contrast did not work out as strongly in Schubert's favour as before the concert one might have been tempted to predict. For Loewe Mr. Allen's voice was in its best and most exciting form, touching the strings of Fs and Gs above the stave with an easy command, dramatically astute in moulding the narrative progress of the two long ballads; whereas in Schubert both the tone and the powers of musical concentration appeared a good deal less focused than this singer has taught us to expect. And from one who has mastered every nuance of Pelléas and Papageno (including his spoken dialogue) in the original languages one might have expected the eight songs—and four poems—to be conned by heart; even when manfully flourished, a score interposes between singer and audience in a way that is almost impossible to overcome.

*

A brief note of grateful praise for Annie Fischer's Beethoven C major Piano Concerto with Walter Weller and the Royal Philharmonic at the Festival Hall yesterday afternoon (broadcast on Radio 3). Miss Fischer's Beethoven becomes ever more miraculous, simple, ever less measurable in terms of interpretative device. After a first movement in which the partnership of soloist and orchestra was no more than fleetingly united of purpose, the Largo transported us with its opening sentence onto that exalted Beethovenian plane where the music seems to speak to a listener directly, without *interfering middlemen*. Fire, buoyancy, and flashing good humour have not deserted Miss Fischer's playing of the Rondo, as one or two pawky rhythmic plunges made plain, slightly unsettling the otherwise excellent RPO wind players in their train. The whole performance was memorably eloquent, as this work can be when properly weighted in its centre. Why does this great pianist visit us so *seldom*?

MAX LOPPERT

RUGBY BY PETER ROBBINS

Moseley cheerful despite injuries

MOSELEY, for so long one of the trend-setters in organisation, imagination and bravado on and off the field, look set to have a difficult season—at least until Christmas.

Their match against Sale at the Reddings was one of the most dismal I have seen in seasons. It is fortunate that their colts recalled the brighter *years with some* splendid attractive running against Bromsgrove after the main match was over.

There have to be some very sound reasons for the temporary decline of one of England's leading clubs. Moseley have a truly ghastly list of injuries and have not been able to pick the same half-back pair all season. Familiar names such as Trevor Corless, Greaves, Nutt, King and Jeavons were all missing from the pack which left the considerable burden on Field, Ayre and Warren to provide the necessary experience.

The most notable absentee behind the scrum was Mike Perry at fly half.

Moseley's captain, Martin Cooper, is not at all despondent and the 13-9 victory over Sale was welcome. He points to the tough programme ahead, a programme that was earned by the standards of previous players. It is a familiar problem to many clubs who have to rely on their friends in the lean times.

Cooper is now playing full-back and brings to that position a great deal of athleticism, ability and speed in reaction and execution. He was the one player in Moseley's side of any class.

The fact that he scored all 13 points was incidental to the obvious fact that he is a better all-round player now than when he was capped for England.

There are patent difficulties of communication in captaining a side from full-back and in Cooper's case these will be lessened when things go better upfront.

Two players who have to play a central part in Moseley's forward rehabilitation are Field and Ayre. Both have been on the fringe of the England team without quite having the all-round ability to go beyond it.

Yet who would England play should either Beaumont or Colclough be injured? I don't think the answer is the itinerant Nigel Horton, so where on earth have all the genuine line-out *jumpers in England gone?*

*Sale have a justifiable repu*tation for being a club that enjoys its rugby. They are one of that happy breed who seem to establish warm friendships wherever they go. Mind you, *they may not win that many* games against top class opponents, but by and large they enjoy tremendous popularity.

They share the same catchment area as Wilmslow, Broughton Park and Manchester. The area's talent is thereby diluted. Yet when that same area combines—either as Lancashire or the North—the concentration of quality is considerable.

What is slightly worrying (perhaps more than slightly) in England's terms, is not so much this year but next and subse*quent seasons. Neary will* almost certainly retire this year. Cotton is yet to decide if he will play more than club rugby. Uttley's international days are drawing to a close. And even Beaumont is not immortal.

So there will be a mass clear-out both from the North and the England teams which augurs ill for the future since neither the Southeast nor the Midlands can offer much as replacement. *Next week's match* between Gloucestershire and Cornwall will see what the Southwest has to offer.

Sale have a very thin side without their stars—Cotton, Bond, Smith and Creed. Creed has been forced to retire because of a neck injury. The gravelly voice that spurred on Sale and Lancs will be as much missed as the man himself.

Younger players do need the comfort and the stimulus of the campaigners.

But Barton, Smith's replacement at scrum half, did not seem at all put out by any pressure. He is young but he plays strongly, cheekily and with good technique.

Budge Rogers will have marked him down as well as young Stevenson, the Sale flank.

Rogers will have also noted with interest the performance of Lowden, the Sale full-back currently preferred to Ian Metcalfe, the former Cambridge full-back. In addition, there was Simpson, *the hooker*, who has qualifications for both the Midlands and the North.

With Peter Wheeler firmly entrenched in the Midlands, it would be logical for Simpson to opt for the North

SOCCER BY TREVOR BAILEY

Manchester City in the doldrums

IT IS always a pleasure to visit Maine Road, Manchester, because it is such a handsome well appointed stadium and comfortably and quickly absorbed Saturday's largest League attendance — some 40,000.

In recent years, the club has spent heavily on ground improvements for the spectators who have seats and terraces with easy access and an excellent view of the action on a magnificent playing surface. Additionally, the catering facilities and general amenities are well above average. The toilets are both clean and adequate.

Although the surrounding roads are depressingly drab, they do provide an abundance *of street parking*. The one surprise is that the directors, through lack of cash, have not yet established commercial boxes. These would represent a fine source of revenue and should pay for themselves within a short period when built.

Unfortunately, the calibre of the team's football against Liverpool failed to measure up to the setting.

The Merseyside visitors achieved their first away victory in the League this season, and a 3-0 scoreline in no way flattered their all-round superiority. There were several periods, when they looked light years ahead of a struggling City, who have yet to record a win in the First Division.

The skill, speed, first-time passing, running off the ball and imagination in many of Liverpool's attacking moves, were a joy—pure footballing poetry.

Dalglish, in addition, to a superb individual goal when he completely mesmerised his marker with his sleight of foot, from a standing position, was at his brilliant best up front. He received fine service and support from his midfield quartet who dominated proceedings.

McDermott was back to his best with his frequent darting runs into space. The chunky Lee not only appears to have come of age as a high-class half-back but rounded off a tireless display with a well deserved spectacular goal.

On this showing, Bob Paisley's side must remain favourites to retain the title. However, they did make too many defensive errors for comfort, and City failed to punish these. Kennedy also appears to have lost some of his pace. Cohen was not very convincing at left-back.

Gayle, a young athletic striker, was brought on in the second half for the enigmatic Fairclough. Though he looked a little lost and uncertain, he could prove to be a very good prospect once he has been absorbed into what is essentially a team system, depending so much on knowing exactly where one's colleagues are running.

Although Manchester City *showed plenty of effort* and enthusiasm, it was rather like watching a minor county playing against a first-class county Palmer squandered three comparatively easy scoring chances offered him by opposing errors.

In the first half, the resourceful and splendidly built McKenzie tried very hard to provide openings for his colleagues.

Reeves was the big disappointment for me. He made so little impression that it was difficult to believe that he had cost around £1m. He certainly did not look in the same class as his former team-mate Fashinu, who is more thrustful, and he probably misses his physical support.

Manchester City now precariously possess only two points more than luckless Crystal Palace who are at the bottom of the first division. Will they escape relegation? Such a fate would be a disaster for a club who are well supported and have spent so much money on both ground improvements and in transfer fees.

They should have the players and the basic ability to escape relegation. However, it is now up to their flamboyant coach, Malcolm Allison, to give his team that belief in themselves needed to achieve the results.

This is never easy after such a poor start. It has been made the more difficult by the frequent rumours that he is about to lose his job—at a time when unity and singleness of purpose *is absolutely essential*.

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Lessons of the lamb war

ONCE UPON a time a member of the Bundestag achieved celebrity by asking the Government about rumours that the EEC was concocting a market order for garlic. The answer was "no," but the young man attracted sufficient attention to become a junior minister in due course. The story is recalled here because the EEC has sprung a new regime upon the world, for lamb and mutton, or sheepmeat in the unappetising officialese.

In simple logic there is no reason why there should be no such regime if pigmeat and pork have market orders. But not long ago the argument went that sheepmeat needed no special regime because it was not widely produced or eaten in the Community. Germans usually shudder at the very thought of mutton.

Threat

That argument was reinforced with a few Gallic sideswipes about the flavour and supposed greasiness of British (and New Zealand) lamb, compared with a decent *cote d'agneau*. Yet by 1979 British and New Zealand lamb seemed so much of a threat to the higher price French producer that France closed its border to imports. The lamb war had started.

The settlement now reached has much to commend it, even though some of its virtues may *not have been intended* by those who struck the bargain. It is argued that by giving British farmers a higher return resulting from deficiency payments it will encourage production and thus bring down the retail price. The difference will have to come from deficiency payments, and since these will be funded by the EEC, not as hitherto the British Treasury, the British consumer is a net gainer.

An aspect wholly to be welcomed is that the EEC has kept its undertaking to Australia and New Zealand not to dump any surplus sheepmeat in their traditional markets. But the fact that such an undertaking was given underlines the fact that the new regime can produce surpluses to add to the EEC's other lakes and mountains. There is a danger that in as little as two years the sheepflock of the Nine—not to mention Greece and other new members—will have begun to grow mightily in response to the new dispensation.

At present the EEC is a net importer of lamb, in 1979 to the tune of $216m. The lion's share came from New Zealand, but Australia, Argentina, and eastern Europe also were among the suppliers. Given the way in which market orders have usually worked that pattern is now liable to change unless the entire pattern of EEC farm policy changes.

If lamb really should become cheaper in Britain, it will regain market share from pork and poultry. The sheepmeat policy, at bottom, was justified with the argument that the higher cost French producers faced ruin from British competition. What happens if the lifeline thrown to them should trip up producers of other meats? And why are producers of meat more important than makers of, say, steel?

The real reason for welcoming the agreement reached in Brussels is one that may have been at the backs of the minds of its authors, though they would never admit to it. The extra cost for the sheepmeat regime is already allowed for in the draft EEC budget for 1981. Nevertheless the new regime brings closer the day when the Community will have to reform the Common Agricultural Policy, simply because it cannot find the cash for it.

Importance

In any case it is fair to ask precisely how "common" the CAP still is. In the case of sheepmeat, for instance, lamb exported from Britain will be submitted to a levy equivalent to the deficiency payment previously paid for it. Other members of the Community have the choice between deficiency payments and other means of supporting their sheep farmers.

Many a battle will be fought before the CAP has been reformed. The lesson from the lamb war is that, often for very good reasons, Governments attach greater importance to the farming community than its numbers would seem to warrant. But the lesson from the history of the CAP as a whole is that you can buy your way out of trouble for a limited time only. Otherwise you may yet finish up with a market order for garlic, and a bankrupt Community.

The unity of Canada

THE GHOSTS of history are hard to lay. Canada has been indubitably sovereign and independent since 1931. Yet in almost 50 years of wrangling its politicians have failed to slough off a last relic of Canada's former colonial status: its inability to change the main provisions of the document according to which it is governed, the British North America Act of 1857, without asking the Imperial Parliament at Westminster to make the change.

Many conflicting interests explain the inability of the federal Canadian Government and the Governments of the 10 Canadian provinces to find an amending procedure which would have excluded Westminster. The most fundamental of all takes one a century beyond the foundation of Canadian confederation in 1857 to the British conquest of the French colonies in North America in 1759. Quebec, now the home province of the majority of French Canadians, has never overcome its suspicions of the English-dominated central authority in Ottawa.

Referendum

It is these two vestiges of Canadian history that Mr. Pierre Trudeau, the Canadian Prime Minister since 1968 (except for an interval from May 1979 until February 1980), has been up against throughout his career. This May he won a great victory against Quebec separatism: the electorate of the province in a referendum decisively rejected the plan for a sovereign Quebec put forward by its Parti quebecois Government under Mr. Rene Levesque.

Buoyed by that triumph, he tried to get the provincial premiers to agree to a plan for "patriating" the constitution, as Canadians call the process of transferring responsibility for the British North America Act to Ottawa. The attempt failed as abjectly as all previous bids had done. It was then that Mr. Trudeau decided to grasp the nettle: he will use the Liberal majority in Parliament to patriate the constitution unilaterally.

By December, he hopes, Parliament will have passed the necessary resolutions which will enable Ottawa to ask Westminster to relinquish control over the British North America Act, to which there will have been added a Bill of Rights, guarantees for French and English language rights, and an interim formula for future amendments. The constitutional position almost certainly is that Westminster must concur. But it is clear that some provinces will try to hold up the process: *it is a matter of judgment* whether a fierce argument in London would be more embarrassing for Britain or for Canada.

Schooling

But what matters is events in Canada. The fight there will be bitter, not least because Mr. Trudeau has refused to reinforce the control of the provincial Governments over their natural resources. At this very moment he is in the midst of a quarrel with Alberta which has threatened to cut its oil output unless Ottawa agrees to higher prices. *The example shows that* the constitutional argument is not one of legal niceties, but one about power and about money.

Nor is it a matter of legal niceties that Mr. Trudeau wishes to ensure that throughout Canada "where numbers warrant" French or English speaking children shall be entitled to schooling in their own language. Quebec has been bitterly attacked for legislation restricting admission to English schools. The rest of Canada has a poor record in providing French schools for those who want them.

Where money and racial prejudice are involved, the argument is sure to be tense. It remains to be seen how flexible Mr. Trudeau will prove to be in the face of provincial aspirations. The proposals he presented were less centralist than originally planned in one important respect: he preferred not to ask for a constitutional clause forbidding provinces to give preferential treatment to their own entrepreneurs. There are other areas where he could make concessions in the interests of his vision of the unity of Canada.

Such give and take in the end is the very essence of federalism. As Goldwin Smith, a 19th-century Oxford professor who subsequently became a Canadian publicist, put it after 1857: "The father of confederation is deadlock." History could be repeated.

THE MASSEY-FERGUSON RESCUE

Growth plan that went awry

BY IAN HARGREAVES

CANADA'S Chrysler. That is the obvious—and in some respects an accurate enough way—to sum up what has become of Massey-Ferguson, the venerable farm machinery company which still builds more of the world's tractors than any other.

At the end of last week, the Chrysler echoes were unmistakable: the drama of Cabinet meetings as Ministers considered whether to support a rescue, suspended share dealings, heated public debate about the company's record and rumours of banks ready to pull the plug.

By the end of the week, Massey had got to the point which Chrysler reached in the midsummer of 1979. It had wrung from its Government a statement of willingness to help find a solution to the company's problems, but no firm promises about money.

What Mr. Herb Gray, Industry Minister in the Liberal Government of Mr. Pierre Trudeau, offered on Friday was really not much more than an attempt to buy time with the company's 250 lenders around the world.

The company and its subsidiaries owe very nearly $3bn *in varying maturities and with* varying degrees of security, compared with the $4.5bn or so which Chrysler owed when it fell at the feet of the Carter Administration. Cash is bleeding from the company at an astonishing rate — $675m in the first *nine months of this year*—with little sign of relief either in the form of stronger market demand for farm machinery or lower interest rates. Massey's own consolidated debt is more than three times the level of its stockholders equity.

But the Chrysler analogy is in many respects misleading. As Mr. Victor Rice, Massey's 39-year-old, British-born Chairman has pointed out with some irritation, Massey was emerging from its operational profitability problems when the recession and record interest rates struck last spring rather than, as was the case with Chrysler, entering a period of unprecedented capital spending requirements.

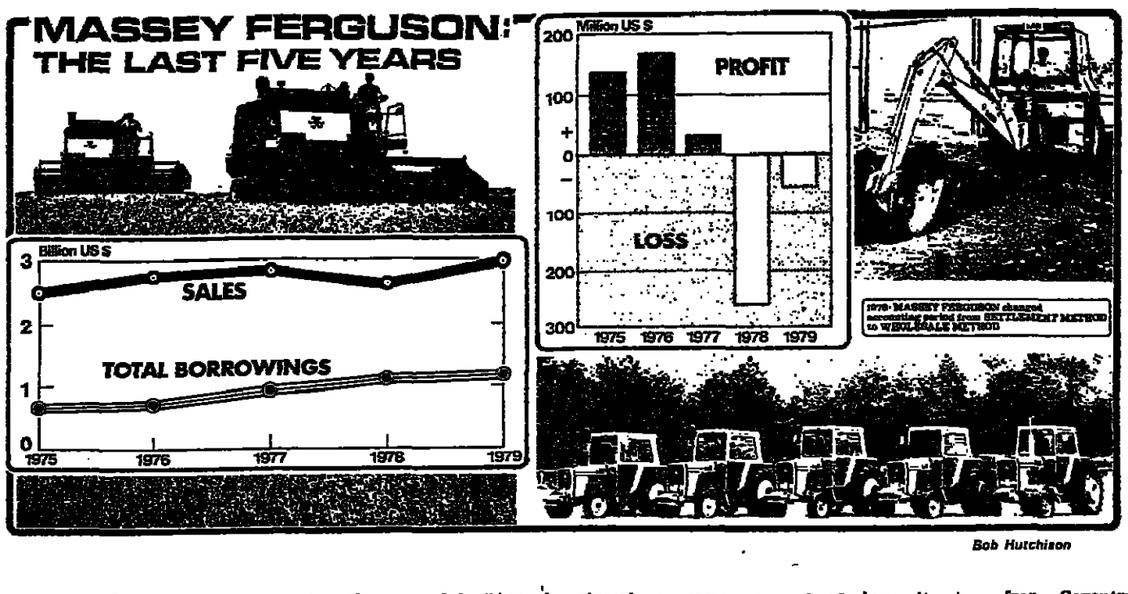
Politically, too, there are big differences. Chrysler's case to the U.S. Government was primarily based upon the threatened loss of around 200,000 jobs, of which 40,000 were in Canada, in an election year and upon a threat of further loss of domestic car producing power at a time of record imports.

Massey, although it is Canada's eighth largest company in terms of sales (ranking, ironically, one behind Chrysler Canada, to which Ottawa has allocated $200m in loan guarantees) is of small significance as an employer. Only 6,000 Canadians work for Massey, almost all of them in the province of Ontario, out of a worldwide workforce of 47,000, of whom 15,000 are in the UK.

So what political appeal is there in saving Massey-Ferguson? Why should it be the Canadian taxpayer who forks out to keep in business a company whose chairman said publicly four years ago that it could and would easily shift its headquarters to Holland if Ottawa refused to drop a certain tax proposal?

This question is strengthened in the mind of many Canadians—the Toronto Press is strongly opposed to the bail-out—by the dominant presence in the company's affairs until last Thursday of Mr. Conrad Black and the Argus Corporation of which he is president. Argus's 16.4 per cent stake in Massey—now reposed in the tractor company's two Canadian pension funds following the decision of Mr. Black and six other Argus nominated directors to withdraw—was a living symbol in the minds of many of the company's long pre-eminent position in the conservative clusters of Toronto's exceedingly close-knit financial community.

Add to this the ever present regional factor in Canadian politics (Why should Alberta taxpayers dig deep for an Ontario company?) and it is not hard to see why the Canadian Government is playing its courtship with Massey cautiously. It also explains the political reasoning behind Mr. Black's *volte-face* last Thursday. (Mr. Black has not ruled out future investment in Massey, should the Government and circumstances prove agreeable.)



Bob Hutchison

The presence of Mr. Black

In spite of all these reasons for reservation, there does appear to be a place for aid to Massey in the increasingly nationalistic industrial and energy strategy of the Trudeau Government.

The proposed industrial strategy will involve tax and other investment reviews, measures designed to increase Canada's control over its own economic destiny.

Massey may not be a significant part of that destiny in terms of jobs, but it is the country's best known multinational and, Mr. Gray points out Canada's steady growth prospects as a food exporter make it sensible for the country to persue vertical integration through a strong farm machinery sector. Without Massey, Canada's farm equipment industry will be John Deere (Canada) and International Harvester (Canada)—just another part of the "branch plant economy" which Mr. Gray and his colleagues spend so much time denouncing.

But that does not mean, of course that the Government will necessarily want to give the kiss of life to Massey in its present form At the very least it will want, as it got from Chrysler, hard undertakings that future expansion will take place in Canada and that the development will, unlike most *multinational* involvement in Canada, be innovative.

In addition, there may well be pressure on Massey further to draw in its horns on foreign operations, but if Mr. Rice can convince Ottawa that he has now genuinely reduced the company *to a viable core, that may* not be necessary. The Government is also very interested in exports (Massey has made much locally of its net $150m contribution to the Canadian balance of payments last year) and Massey's connections overseas, especially in the developing world, remain an ace card.

The company's problems can be briefly described. Between 1959 and 1978, under the dashing chairmanship of Mr. Albert Thornborough, Massey decided that it would seek most of its growth out of arm's reach of its large U.S. competitors, Deere and International Harvester, by concentrating upon developing world markets and Europe rather than North America.

The strategy looked fine. Between 1974 and 1976, when American companies were struggling with the worst U.S. recession since the war, Massey doubled net profits to a record $118m.

But Massey had become overconfident. It was spending faster than it was earning, branching out into the construction equipment industry (buying Hanomag of West Germany, since sold at a huge loss), all on borrowed money. Prudence abandoned, the company somehow or other never got round to raising vitally needed new equity capital.

The crash came in 1978, when the company lost $268m, suspended dividends and Mr. Rice was brought in by Mr. Black who, at the then age of 35, had just scored a brilliant tactical triumph to secure control of Argus Corporation and thus the largest single stake in Massey.

Mr. Rice and Mr. Black proclaimed the new regime, sold Hanomag, shut down dozens of plants in Europe and America, disposed of a string of minority holdings around the world and reduced the workforce by almost one-third.

In future, Mr. Rice said, Massey would make tractors, combine harvesters and diesel engines—his "core" strategy. They would also, reversing the Thornborough doctrine, try to build a bigger base on home turf in North America.

Again, everything looked good for a while. The company returned to profits and, in *July 1979, Toronto's five largest* securities firms started drawing up terms for a $500m equity issue. But once more there was a disastrous delay in proceeding. By October, the U.S. Federal Reserve had launched all-out war on U.S. inflation, driving up North American interest rates in two stages to unprecedented peaks and sending Massey's costs spinning out of control. At the same time, U.S. farm income,

A disasterous delay once more

undermined by low commodity prices, high interest rates and the confusion which followed the Russian grain embargo, fell into profound slump.

By this time, Massey, its dealers loaded with stocks of machinery, was borrowing heavily just to pay interest on the money it had already borrowed. Short term bank debt went up from $250m in October 1977 to $1.2bn in July this year. And that came on top of a very bad 1979, during which the company had paid an average short term rate of interest of 20.3 per cent, a figure inflated by the astonishing 144 per cent rate paid in Argentin and 60 per cent in Brazil. Matters were made worse by the continued appreciation of sterling against the dollar, which drove up costs of machinery exported from the company's main manufacturing base (tractors from Coventry and diesel engines from Peterborough). In the current year, the sterling factor produced a cost overrun of an estimated $60m.

Reducing dependence on artificially expensive British tractor components have been one part of the company's programme to slow the cash drain. Another was to put the whole of its Latin American interest upon a cash management basis—that is to refuse to build equipment for stock. An equally draconian step was taken in North America, where in August Massey shut down its entire manufacturing operations for more than three months in order to dry up stocks and cut financing costs.

The company must be well aware of the risks involved in these desperate measures—the risk that as demand improves Massey will not have the products in place to supply the market. The company is banking to some extent upon its judgment that there will be no significant upturn in demand until the final quarter of next year.

Massey has, amid the falling rafters, been trying to plan for the longer term. It sees itself eventually selling 30 per cent of its products in Europe, 30 per cent in North America and 40 per cent in the rest of the world, where Massey still has a commanding presence in many markets.

The weaknesses, however, which will now be remorselessly examined by bankers although perhaps slightly less remorselessly by the Government, are all too obvious. Although Massey now has a range of the large (over 100 hp) tractors it once shunned as unsuitable for its main markets and although these machines have resulted in a higher market share in North America and a higher world tractor market share of 16.5 per cent as a result (up from 15.7 per cent a year ago) the financial record is not encouraging. Even in fiscal 1979, which was one of the best years on record for U.S. farm spending, Massey lost $21m in its U.S. and Canadian business.

In deciding whether to stand by Massey as it is engulfed by these pressures, the banks and the Government (including the Ontario provincial government, which is Conservative and keen to present any aid it gives as a reasonable business investment) will have to depend on faith of a large order about the course of events in the next four or five years.

Perhaps most striking of all is the fact that Massey has slipped seriously behind its main competitors in development spending. Last year it spent $44m or 1.4 per cent of its sales on research and development, compared with $217m (2.6 per cent) at Harvester and $188m (3.8 per cent) at Deere. Deere will spend $400m and Harvester $500m a year on capital projects in the next five years. Last year, Massey managed $78m.

The development spending issue also raises the legitimate question as to whether the $500m to $600m equity which Massey has talked of raising in order to substitute it for interest bearing debt, would be enough to secure the company's future.

With a current backlog of $56m in preferred dividend payments on top of its negative cash flow and losses of $66m so far this year, the figure is beginning

Strong natural resources base

to look inadequate, although a full assessment depends upon how much Massey can permanently cut its stock holding costs.

The $500m figure also looks inadequate if it is assumed, as Massey does, that world tractor sales will drop to 684,000 units this year, recovering only to 700,000 next, compared with 750,000 in 1979. Also U.S. farm income will be down 20 per cent this year at $22.5bn, and is forecast to grow only by 3 per cent next year.

Then there is the political judgment for the banks. With Chrysler, even foreign banks concluded that they had nothing to gain by getting on the wrong side of the U.S. Government in a crucial overseas market. Canada is less important to most of the foreign banks *(which hold 75 per cent of the* short-term debt risk) than is the U.S. But with a strong natural resources base, Canada matters

There are ways the company could raise cash apart from relying on the Government and banks, by selling the accounts receivable of its credit subsidiaries, for example, or as a last resort perhaps even selling Perkins.

But the likeliest outcome at this stage appears to be for the Canadian Government to take an equity stake in Massey, adding that to the $30bn of interests the Government already owns in 460 state controlled corporations, including Petrocanada, the state oil company.

Whether that investment will prove "advantageous," as Argus put it in the statement announcing the shares giveaway on Thursday, is a different matter.

MEN AND MATTERS

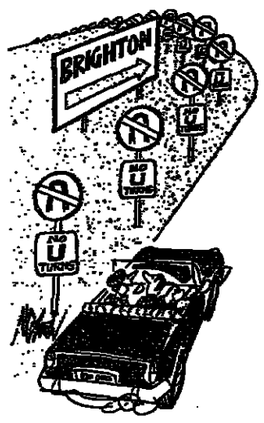
More tales of country folk

The gruesome image of Monday morning will not be aided in the newly redecorated corridors of Independent Broadcasting Authority power today with the arrival of further contributions to the Westward Television paper mountain. On Thursday the Authority's 12 great and good are due to examine the responses of Peter Cadbury and Lord Harris of Greenwich to their demands for details as to where the row is going to end. Needless to say, both contenders for the Westward crown have given separate answers—answers which have now started to arrive.

As far as the struggle itself is concerned most Westward watchers are now beginning to yawn. Cadbury and Harris are widely predicted to be about to tumble Conan Doyle style into the ravine, although there is some dispute as to who is playing Moriarty. The burning subject of gossip, therefore, is what the IBA will do to replace the warriors.

Focal point of much speculation is Tony Gorard, currently chief executive of Cardiff Broadcasting, a favourite radio child of the IBA, and a man with a track record that includes heading HTV, once being an executive director of lovable Anglia Television and being a chartered accountant. As if all these qualifications were not enough Gorard's present home is Chew Magna in Somerset, comfortably enough West Country to make him a local boy.

The fly in the ointment is that Gorard is already tied in with one of the rival bidders for the Westward franchise, West Country Television, whose origins rest in the eagerness of Cadbury neighbour and rich land-owner Simon Day to join the ranks of TV moguls. Day has a couple of aces in the form of Gorard and ATV's one-time



"I think they're there for the Tory Conference"

deputy managing director, Bill Ward, but the other team, Television South West has a bit more corporate punch.

Day, Gorard and Ward have trimmed their bid sails recently, adjusting to new winds thought to be blowing from the Authority. Day now tends to argue that Westward is wonderful, or would he with different management, and former talk of building new studios has grown less enthusiastic.

Day's advisors Singer and Friedlander (another twist in the tail since S and F's new parent, European Ferries, is involved in a bid i nadjoining Southern's area) are currently beavering on the implications of taking over Westward lock stock and barrel.

Moving in

"I did not think the Japanese had much to move in the household line," admits John Bishop, one of the directors behind the "Bishops Move" insignia so common on British pantechnicons, "just a few cushions and a roll of bedding."

So it was with some puzzlement that he agreed recently to welcome a group of 15 Japanese removal specialists to his company and let them in on the mysteries of his trade.

The visitors, it turns out, were not in Britain to gather information for a thrust into yet another sector of our industry. They were merely taking part in one of the most popular forms of foreign travel available in Japan.

They had been directed to Bishops and similar companies elsewhere in Europe by Chris Fountain of Ohshu Express, a wholesale travel agency in Drury Lane, which this year will transport some 30,000 Oriental visitors to the UK, mostly in small specialist groups and "ostensibly for study tours."

Very few Japanese, it seems, can fly so far purely to gawk at the sights. "Travel," explains Fountain, "is a very popular form of incentive award in Japan."

Finding companies willing to welcome the removal men presented few problems. Other industries, particularly where there is any suggestion of threatened competition, are not so hospitable. Groups with more esoteric specialities can incur the occasional headache. Fountain confesses, for example, that finding stopping-off points for 40 Presbyterian ministers from Korea was "quite a challenge."

New ship shape

A peek under the veil covering Robert Atkinson's master plan for British Shipbuilders reveals ample signs that the new chairman plans one of the biggest corporate rebuilding jobs ever undertaken in any nationalised industry.

Several of the major structural changes have already taken place. Atkinson recently replaced Admiral Sir Anthony Griffin in the chair. Chief executive Michael Casey has also left, and the Board member for finance, Maurice Elderfield is working out his notice.

Personnel man Richard Whalley, I hear, will be leaving when his contract expires next year and there is some doubt over the future position of Leo Curran, currently in charge of engine building.

Atkinson, the naval hero who took the chair on July 1, will reveal almost all to the nervous *senior management* of BS at Newcastle tomorrow. Almost all, because I understand no decision has been taken on who gets the finance director's job, and there is a vacancy still at the head of the beefed-up offshore division which has put up such a wretched show of capitalising on the possibilities in the North Sea.

As the old structure comes down and new partitions go up in a wholesale financial and operational restructuring, the word is that Jim Venus, an old hand in shipbuilding who retired because of ill health some years ago is to be brought *back into power. His present* position in BS is something of a mystery, but he has been offered the job in charge of the corporation's small yards.

Austin and Pickersgill chairman Derek Kimber has an option on the overlordship of the merchant yards and John Steels, the 44-year-old who has risen from trainee draughtsman to the chair at Swan Hunter, has been asked to take control of the three mixed naval-and-merchant builders, Swan Hunter, Scott Lithgow and Cammell Laird.

Last man in is Bill Richardson, Vickers chairman, who has been invited to take over the warship portfolio. I am afraid, however, that I could not lift the veil high enough to see where that leaves the present incumbent, Jack Daniel.

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BRITAIN'S STING RAY

Smart torpedo battles to survive

DAVID FISHLOCK reports on the fight between the Defence Ministry, which wants to continue development of its new, intelligent torpedo, and Parliament, which is not convinced the weapon is worth the cost—estimated last year at £923m.

The Sting Ray: Its features include high performance in very shallow and very deep water, and very high reliability.

DEADLY BATTLE was waged between a nuclear submarine and a nimble torpedo near Weymouth recently. The hunter-killer twisted, turned, deep-dived, and suffused the sea with spurious electronic signals to distract its lethal pursuer.

Tenaciously, for mile after mile, the torpedo clung to its quarry, matching its speed and every evasive manoeuvre unperturbed by the decoys and the electronic smoke-screen. Gradually the torpedo narrowed the gap until it was close enough to home on the most vulnerable part of the submarine and be absolutely sure of a kill when its warhead burst open the pressure hull.

Packed into less than 8 ft of electric-powered torpedo was enough brainpower to outwit a crew of 100 submariners striving desperately for their survival, aided by the most advanced weapons and defences the Navy can conceive today. Here was an "intelligent torpedo," a far cry from Robert Whitehead's original concept of the self-propelled submarine torpedo of 1868, with its range of 600 ft and speed of 6.5 knots.

If defence scientists have their way it will be the world's first truly intelligent torpedo to go into service, capable of recognising enemy warships by the noises they make, and of pursuing them to a kill—or until the torpedo runs out of fuel.

The torpedo is called Sting Ray, the brainchild of scientists with the Admiralty Underwater Weapons Establishment at Portland near Weymouth. This particular "battle" was being fought on the screen of a computer.

But Sting Ray is already fighting another bitter battle, for its own survival. This battle is between the Defence Ministry, which dearly wants the weapon, and Parliament, which has been made aware for the first time this year of two £1bn defence projects launched in the 1970s—the other is Chevaline, the new nuclear weapon—of which there has been no significant public discussion.

To quote Sir Clifford Cornford, the scientist who until his retirement earlier this year was chief of the procurement executive at the Defence Ministry, Sting Ray is "vastly cleverer" than its only rival at present, an updated version of a torpedo Britain has been buying from the U.S. since the 1960s. For one thing, the U.S. torpedo cannot spot an enemy lurking stationary in a subterranean lair, as Sting Ray can. The same weapon has been designed to satisfy both the Navy and the Air Force.

The U.S. Navy has recently begun to develop its own version. British scientists are sure that Sting Ray is several years ahead of any similar new U.S. weapon.

Next month the Defence Ministry must justify more fully to Parliament its case for having such a highly intelligent torpedo. The Prime Minister has spoken recently of the need to devise simpler, cheaper, more readily exportable weapons. Of Sting Ray a Cabinet Office sceptic comments scathingly: "It virtually walks across the water on its tail when you blow a whistle."

In its report in July the Public Accounts Committee disclosed that a project which, when originally conceived in 1969, had been estimated as costing £74m has risen by 1979 to £923m (£198m discounted back to 1969 price level).

"We feel bound to say on the evidence available to us, we were not convinced by MoD's case for spending an additional £720m rather than purchasing the U.S. torpedo," reported the committee coldly. It had been told that Britain could update its present U.S. Mark 46 anti-submarine torpedo transforming it into a more advanced weapon called NEARTIP—near-term improvement programme—in only 18 months for a mere £200m.

The MoD points out that, at 1969 price levels, the figure of £923m is only 141 per cent higher than its scientists' first "guesstimate." The Ministry claims that Britain will need a particularly sophisticated weapon if it expects the Navy and Air Force to protect its shores and keep its sea lanes open against the kind of submarine threat it foresees later this decade and in the 1990s. It plans to equip its 60 frigates and some 400 aircraft—Nimrods and anti-submarine helicopters—with Sting Ray.

If, instead, it were to buy the NEARTIP, the £200m U.S. option, it would also be obliged within a few years to buy the U.S. version of Sting Ray, the advanced lightweight torpedo (ALWT), to keep its anti-submarine defences abreast of the growing threat. No one can say at this early stage of conception what ALWT might cost.

At Portland they are exasperated with the Public Accounts Committee's failure, as they see it, to grasp either the magnitude of the threat, the speed with which it is increasing, or the difficulties of developing a weapon to combat the threat perceived 15-20 years ahead.

"It's an underestimate not an overspend," says one senior scientist, of the escalation in development costs. The scientists themselves claim that they were obliged by the MoD's own system to make a guess at the cost at a stage when they themselves scarcely understood the problem.

Sting Ray is one of the first of a new breed of "smart weapons"—a warhead with an astonishing amount of intelligence—marking as big an advance in the complexity of warfare as the change from piston to jet-engined warplanes, which put anti-aircraft guns out of business.

Not until 1977 had the scientists sorted out clearly the kind of weapon the Navy and Air Force were seeking for their anti-submarine defences. Not least of the difficulties is that Britain sits in what one senior naval officer describes as "probably the most difficult waters in the world" which could have been designed specially to give aid and comfort to marauding submarines.

The weapon they wanted was one which would increase the number of launch platforms for anti-submarine torpedoes from a handful of submarines armed with heavyweight torpedoes to hundreds of ships and aircraft armed with a lightweight but exceptionally smart weapon, armed with high explosive, able to find an enemy on its own and blast a hole in its immensely strong pressure hull.

By 1977 the ministry reached the end of the "project definition" phase of the Sting Ray project. Its engineers and scientists at Portland were embarking upon the project itself with a precise definition of the weapon; with figures for every facet of the performance they believed could be achieved.

The MoD began to negotiate a commercial contract with a GEC subsidiary, Marconi Space and Defence Systems (MSDS), which the ministry had been treating as its prime contractor for torpedoes since the mid-1970s. Previously it had relied upon the Royal Ordnance Factories.

First, it negotiated a £200m contract, announced last November, for the design, development and initial production of the weapon. The unusual feature of this defence contract is that it carries an incentive bonus.

The ministry was well aware of the costly hiccup that so often occurs when a major project moves from development into production, and many of those who had nursed it move on to other projects. This time it ordered at the outset enough of the product for trials, to ensure that its contractor would take great pains to prevent any hiccup between development and manufacture. In fact, MSDS's profits under the "target cost incentive scheme" depend crucially upon a smooth transfer from development to manufacture.

Ministry officials claim that the contract defines a "fair balance of risk between MoD and the company." They reckon a GEC company would not have entered into such a novel and demanding defence contract unless it believed it could still make a profit. They are plainly banking upon the legendary tight financial control exercised by GEC, together with their own unusually precise definition of the project, to ensure that it keeps to the cost and schedule quoted. So far, they say, it is working well.

By the end of last year Portland had completed—to its considerable satisfaction—trials on the propulsion and control systems of the weapon. Sting Ray is a small torpedo, only 2.1 metres in length and 330mm in diameter.

Early this year Portland began trials of the high-risk facets of Sting Ray's technology, namely its brainpower, and electronic sensors. They began to try out its ability to search for and find targets on its own initiative, satisfy itself that they were indeed the enemy, home on the target and kill it.

Its "brain" is a powerful microminiature computer "no bigger than two milk cartons," developed by GEC. Its "ears"—most kinds of rays such as light or radar are of limited use in the sea—are a microprocessor-controlled array of sonar sensors, sensitive enough to locate muzzy echoes from an enemy doing his best to hide his presence.

Electronically speaking, it is what defence scientists call a robust weapon, highly resistant to natural or deliberate attempts to confuse it. Its computer has been programmed with the characteristic sonar signatures of enemy submarines, acquired by Portland scientists who painstakingly catalogue the groans, clatter and buzzing picked up by sonars from different parts of every vessel.

These latest trials of its intelligence and data processing capability are also proving "quite successful," says the ministry. Recently Sting Ray (unarmed) has been seeking and finding real targets—submarines—and, says one sailor, with feeling, "it makes a nasty bang when it hits."

Sting Ray is scheduled to go into service in the near future, initially with the Nimrods, on anti-submarine patrol. On the evidence of trials over the past year the MoD believes that not only have its scientists and engineers solved a particularly difficult weapon problem but, since the project was clearly defined in 1977, its managers officially say they have kept it on schedule and within budget.

They say they have every confidence the company will make a profit, on a weapon that satisfies the requirements of two arms of the forces. They expect to award MSDS a further contract worth upwards of £600m to mass-produce the torpedo, with production peaking in about 1988.

Will Britain succeed in selling Sting Ray to its NATO partners? This is a question the Public Accounts Committee pursued energetically, having ascertained from the MoD that neither the U.S. nor any European nation involved in patrolling the Eastern Atlantic had shown any readiness to share in a joint venture the £140m spent on research and development by early this year.

MoD officials admitted to the committee they had been disappointed that so advanced a concept in weapons, acceptable to both the Navy and the Air Force, had not drawn any NATO partners into a joint venture. The U.S. is going its own way with the ALWT; other European partners have put a lower priority on Eastern Atlantic defences against enemy submarines.

But that did not preclude sales to NATO once Sting Ray could be shown to work, said Sir Clifford Cornford. "If we can see Sting Ray running well and demonstrate it, then I think its prospects will have changed radically," he told the committee in February. This summer's trials have brought Sting Ray close to the start of an export drive.

Letters to the Editor

Isolation as policy

From Mr. P. Easton.

Sir,—So the little Englanders, the anti-all-foreigners head-in-the-sand elements of the Labour Party have achieved their hollow aim of voting for withdrawal from the European Community.

No doubt this will be linked, if and when Labour is returned to power, with import controls and other restrictions on free trade: in short, a withdrawal into fortress Britain, which will thus sink even further into obscurity, irrelevance and poverty.

In years to come, this historic if negative vote at the Labour Party conference will undoubtedly come to be compared to other black dates in our history, such as the surrender of Singapore or the betrayal at Yalta.

And let everyone be clear that it is the mass media which is largely to blame. For years, they have portrayed the European Community largely in terms of food prices, butter mountains and nationalistic wrangles. Little wonder that the rank and file in Blackpool know little better and voted so disastrously for our future.

Peter Easton,
3 Strangeways Terrace, W14.

Qualifying accounts

From Mr. T. Griffin.

Sir,—Lex reports (September 22) on the efforts the accounting standards committee is making to attempt to enforce its standards.

My modest sized firm is the auditor of one of the subsidiaries of a major company. We recently proposed to qualify our audit report on the failure of that company to comply with SSAP 12. That accounting standard, which gives no discretion, requires the depreciation of freehold properties. The parent company with the tacit support of its large firm auditors told us we would lose the audit if we did qualify. We appealed to the Institute's technical service for support, the reply being that it was not its policy to become involved in individual cases.

I am afraid we saw no point in becoming martyrs for an accounting standard which I personally think is wrong anyway.

T. A. Griffin,
22-24 Buckingham Palace Road, SW1.

Academic fantasy

From Mr. I. Tegner.

Sir,—There is a law which states that "the chief cause of problems is solutions" and the latest proposals for monitoring accounting standards can only lead to increased regulation with decreased understanding.

In his article on September 22, Michael Lafferty reports new proposals under which the accounting standards committee would include five members nominated by various regulatory bodies such as the Stock Exchange and the Council for the Securities Industry. The remainder would be appointed by the consultative committee of accountancy bodies. There would also be a review body similarly appointed. It will be regrettable if the opportunity is not taken to increase the involvement of those responsible for preparing and presenting accounts. Rule-making and monitoring may make life easy for the rule makers but it sometimes seems to be forgotten that the objective is to produce accounts which give a true and fair view, not which are merely arithmetically correct.

Representations by those in industry have recently helped to improve the quality of accounting standard setting and this positive trend should now be accelerated by greater involvement of representatives of industry and commerce who are not necessarily nominees of the accountancy bodies.

Only in this way can we hope to achieve the substance of economic realism in accounting development, which presently seems to many of us to be largely an exercise in the higher flights of academic fantasy.

I. N. Tegner,
Bowater House, Knightsbridge, SW1.

Reality must obtrude

From Mr. C. Dilloway.

Sir,—As a long-time student of your staff writers on economic matters I am pleased to notice that realism is beginning to enter into their arguments. Perhaps in time our political masters will adopt the same approach.

Our standard of living is what we make and do divided by the number there are of us. Our standard of living only increases as we produce goods and services at a lower cost price. It is received wisdom that lower cost production puts people out of work. The reverse is true. Those employed produce more because it can be sold. Seventy per cent of the cost of production is purchased from others so the benefit spreads and spreads.

When these concepts are expressed in the jargon of economics the message is lost. I almost get the feeling that curing symptoms expressed in obscure language is more important than making us all better off. We make ourselves better off by producing more affordable goods and services.

Then all the commentators express their arguments in money terms. Money is a medium for conveying information regarding claims on goods and services. All your readers and certainly all your staff know what information is when they see it, but science has no definition. Have no fear, science does not have a definition for electricity either but that does not stop us all making use of it. Without knowing what money is we turn Kelvin's statement: "If you cannot measure something and cannot express it in numbers, your knowledge is of a meagre and unsatisfactory kind" on its head. Because we can count money we think that we know more than we do. Economists have unfortunately erected their edifice on an unproven assumption, hence the possibility of differing conclusions.

All this amounts to a plea that what matters is the "real economy" if I may permit myself to use the jargon. Put the thought "save cost, make it cheaper" before the British people while explaining the reasons and the necessity for economic measures would disappear like snow on a warm spring day.

C. C. Dilloway,
Highcroft, Gunhouse Lane, Bowbridge, Stroud, Glos.

Elaborate, gentlemen

From Mr. Teddy Taylor, MP

Sir,—Your leading articles are usually more sensible and balanced than those in other papers and I was therefore sorry to read (October 2) that the Financial Times has joined the "mass movement" of calling for "profound reforms" in the common agricultural policy without giving any indication of the direction in which reform should develop.

I believe that there is increasing evidence that there is no "profound reform" which would resolve the basic problems of the CAP and at the same time be politically acceptable to all the member states of the EEC.

Would it not help to advance this important issue and argument if a gentleman's agreement was to be made forbidding any newspapers or any politicians from calling for "fundamental," "profound" or "far-reaching" reforms in the CAP unless at the same time they indicate the principles of the reform they advocate. It would also help to further the argument if the agreement could be extended to require newspapers to indicate what action should be taken if such "profound reforms" proved to be impossible to achieve.

Teddy Taylor.
House of Commons, SW1.

The Irish punt

From the Managing Director, ATP International.

Sir,—It is perfectly clear that many debtors in Ireland either do not know or do not want to know that the punt is at present valued at something like 14 per cent less than sterling.

Confusion is compounded by the fact that both the punt and the pound are denominated by the same £ sign.

This leads to total confusion. Surely the Irish ought to be persuaded to use a different symbol of their currency.

Norman Gantz,
ATP International,
54-58 High Street, Edgware, Middlesex.

Milk on the doorstep

From the President, Dairy Trade Federation

Sir,—Following publication (October 2) of the "Which?" report on milk, a great deal of prominence has been given to the table claiming to compare the retail prices of milk in 11 countries. This table shows the UK has the most expensive milk. This is inaccurate and misleading for a number of reasons.

Only the footnotes explain that in at least three of the 11 countries there is a subsidy on milk, namely Sweden, Denmark and Ireland.

The price in all the other countries quoted is the price of a pint of milk on the shop counter whereas in the UK the price is of a pint of milk delivered to the doorstep.

The table ignores the fact that milk in the UK is sold in its natural state, whereas in all the other countries some of the butter fat has been taken out of it.

It is interesting to see from the survey how satisfied the customers are with the doorstep delivery system, which further confirms the acceptability of the retail price in the UK.

Nicholas Horsley,
19 Cornwall Terrace, NW1.

The money supply

From the Managing Director, Zenith Electric Co.

Sir,—Mr. Bourlet (October 2) accuses me of woolly thinking, but I have to respond by charging him with making a woolly interpretation of what I said in my letter. I did not say that firms have to borrow new money to pay the interest on old borrowings (although, of course, they do). My point was concerned with the inflation of current assets which has nothing to do with interest rates, except in so far as the latter affect the cost of the money required to cover the inflation.

Perhaps I should explain to Mr. Bourlet that current assets in a manufacturing company mean stocks and debtors.

I also did not conclude that interest rates must be cut, and I made no reference to prices and incomes policies. In fact I concluded that it is inflation that must be cut, since this is the most important single factor leading to the increasing indebtedness of the manufacturing sector.

J. H. Pogmore,
The Zenith Electric Co.
Cranfield Road, Wavendon, Milton Keynes.

Carey Street queue

From Mr. W. Wood

Sir,—As a member of a small company, I find it rather disturbing to note the practice of some of the larger and more established organisations of withholding payment of their accounts for periods of 60-90 days from date of invoice.

This is becoming more frequent and in many cases is the result of smaller companies going to the wall, especially when settlement from the smaller company is demanded by the larger—or else!

Surely, in these days of financial restrictions it is a case of trying to understand each other's problems, and endeavouring to work together to maintain a fair balance of trading, as I feel sure that a more sympathetic understanding of the problems existing with the small outfit would tend, in some measure, to stem the flow of applicants to join the queue to Carey Street.

W. H. Wood.
11, Carisbrooke House, "Courtlands," Sheen Road Richmond, Surrey.

The best of enemies

From Mr. H. Goodchild.

Sir,—The two most unselfish people in politics today must be Mr. Anthony Wedgwood Benn and Mrs. Margaret Thatcher—each determined that the other shall win the next election.

H. W. Goodchild,
5 The Broadway, Crawley, Sussex.

Today's Events

GENERAL

UK: Meeting of National Economic Development Council—discussions include implications of North Sea Oil and Chancellor of the Exchequer's paper dealing with pay rise problems.

Two Canadian Cabinet Ministers, Mr. Mark MacGuigan, External Affairs Minister and Mr. John Roberts, who has a constitutional brief in addition to his portfolio for Science, Technology and the Environment, in London for talks with Mrs. Margaret Thatcher to explain plans to give Canada a constitution of its own.

Prison officers begin industrial action over meal-break payment.

Sir Peter Parker, chairman of British Rail, is guest speaker at Coal Industry Society luncheon, Hyde Park Hotel, London.

Association of Independent Unionist Peers to launch booklet "The Need to Retain a Second Chamber," House of Lords.

Mr. Peter Cadbury appears in Magistrates Court at Barnstaple accused of wasting police time.

British Council of Productivity Associations conference on microprocessor technology, Café Royal, London, 9.15 am.

Statement by Dr. Alan Gilmour, director of the National Society for the Prevention of Cruelty to Children, on economic difficulties of the NSPCC.

Annual meeting of the Maltsters' Association of Great Britain, Café Royal, London, noon.

Society of Engineers meeting discusses paper "Demolition and other engineering problems for a chartered loss adjuster," Burlington House, Piccadilly, London, 6 pm.

Sir Peter Gadsden, Lord Mayor of London, tours BBC Television Centre, Wood Lane, London, W12, 7 pm.

Overseas: Romanian Party Chief and State President Nicolae Ceausescu begins official visit to Canada.

PARLIAMENTARY BUSINESS

House of Lords resumes sitting after summer recess—business includes Married Women's Policies of Assurance (Scotland) (Amendment) Bill, committee.

OFFICIAL STATISTICS

Wholesale price index (September provisional). Retail sales (August final). Hire purchase and other instalment credit business (August).

COMPANY MEETINGS

See Week's Financial Diary on Page 25.

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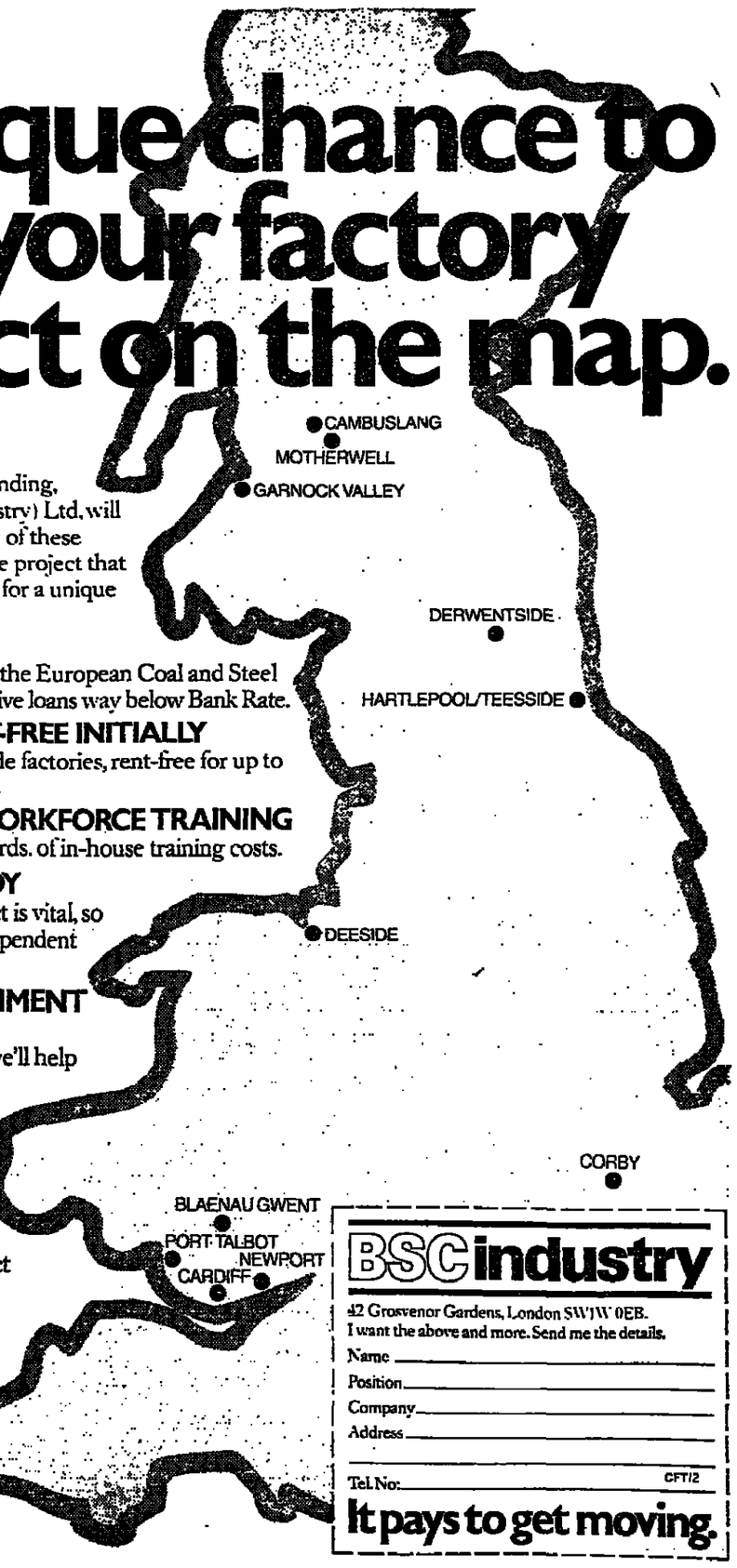

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Branon seeks full quotation

THE RECENTLY floated oil services group, **Branon**, headed by former British Steel Corporation chairman Sir Monty Finniston, is seeking a full listing on the Stock Exchange instead of having its shares traded under rule 163(2).

"Our brokers got it wrong," Mr. Stephen Komlosy, a director, said yesterday. "The company is too large for a 163." He said Branon's turnover is likely to be £7m-£8m in the year to end March 31, 1981, and the company meets the other requirements for obtaining a full listing.

Branon raised £3m last month through the placing of 3m shares at 100p a share. The company was formed to take over three former subsidiaries of the Williams Hudson Group, Abarthorpe Oilfields Services, Centralube and Arrow Construction Equipment.

All three have at least a five-year track record and Branon has forecast that Abarthorpe and Centralube will show a profit of £220,000 in the current year. Arrow is said to be doing well but profits cannot yet be forecast.

Mr. Komlosy said Branon will begin paying dividends at the end of the current year.

As for suggestions that institutional investors who participated in the placing may have been embarrassed by the absence of a market for the shares in the past two weeks, he said the company has not heard a word from anyone on this.

The Stock Exchange listing is expected to be obtained in a few weeks following completion of the required documentation.

Improvement for Jamaica Sugar Ests.

For the year ended September 30, 1979, **Jamaica Sugar Estates** cut its losses at the pre-tax level, from £93,367 to £28,116. Turnover improved to £206,557 against £180,413.

There was no tax (£2,868 credit), minorities profits took £838 (£1,334), and after an extraordinary credit of £251,084 compared with a £293,454 debit, there was a balance of £222,130 against a £385,287 loss.

Mr. Hugh Hart, chairman, says in his annual review that directors have been identifying and investigating the company's investments which, under the right circumstances, they consider would be of benefit and would provide a base for immediate profit and development.

Until then, he says he can only give an assurance that everything is being done to minimise expense while preserving the group's assets, so that they can be maximised as early as possible when it becomes prudent so to do.

Auditors state that the basis on which the accounts have been prepared contemplates future profitable operations in the principal operating subsidiary, Ideal Properties.

Because of the current depressed state of the property development market in Jamaica, they have been unable to determine if the basis adopted by the directors is appropriate.

SECURITY CENTRES BUYS MAXIM ALARMS

After the annual meeting of **Security Centres (Holdings)**, the chairman, Mr. Stewart Jamieson, said that agreement has been reached in principle with Thistle Industrial Holdings and the Scottish Development Agency for the acquisition by Security Centres of some 92 per cent of the capital of Maxim Alarms.

Maxim is engaged in the installation and maintenance of intruder alarms and has its principal office in Glasgow, with branches in Dundee, Edinburgh, Newcastle, Manchester and London.

It has more than 7,000 alarm installations and its turnover in the year to March 31, 1980 was £1.83m.

SPAIN

1980 High	1980 Low		Oct. 3 Price %
250	203	Banco Bilbao	250
280	217	Banco General ...	280
229	222	Banco Exterior ...	217
236	200	Banco Hispano ...	233
127	117	Banco Ind. Cat. ...	122
175	141	Banco Madrid	141
282	237	Banco Santander...	281
190	136	Banco Urquijo.. .	136
258	208	Banco Vizcaya ...	258
245	200	Banco Zaragoza ...	248
123	75	Dragados	116
73	58	Espanola Zinc	71.50
66	53.2	Fecsa	65
40	23.2	Gal Preciados ..	32
71.7	59.7	Hidrola	69.50
68.2	57.5	Iberduero	66
123	100.7	Petroleos	118
92	59	Petrolibar	88.50
115	102	Sogefisa	102
65.5	51.5	Telefonica	63.70
70.5	58.2	Union Elect.	69.20

Moran accounts may be qualified

The accounts of Lloyd's insurance underwriters **Christopher Moran Group**, which are to be published in the middle of the week, may be heavily qualified by the company's auditors, Neville Russell and Co.

"Wait until Tuesday," Viscount Hall of Cynon Valley, chairman of the troubled company, said yesterday. "The shareholders should see it first."

The company's suspended managing director, Mr. Christopher Moran, was remanded on bail by Guildhall magistrates in August after having been accused of conspiring to defraud Lloyd's underwriters.

In June, when the company published its preliminary results for last year, it was reported that it was having to bear the exceptional costs of extra auditors' reports.

In mid-August, the company announced that its AGM would be postponed from September 3 to September 19 and subsequently announced a further postponement until October 31, because of delays in preparing its accounts.

Viscount Hall declined to comment on the report and accounts to be published this week but he said there was no call in the chairman's statement for shareholders' support to remove Mr. Moran from the Board, nor did the directors plan to issue a circular to shareholders this week making such a request.

Camellia to buy more collectibles

Camellia Investments' intends to expand its permanent investment in fine and rare collectibles and this may result in a small increase in group borrowings over last year, says Mr. Gordon Fox, the chairman, in his interim statement.

He says that in recognition of economic uncertainty, particularly in the UK, the Board has adopted a conservative investment posture.

Although operating profits will, in all likelihood, be below those earned in 1979, he says the gains realised on the sale of investments should result in increased overall profits for 1980.

Since the start of the current year the group, which carries on the business of an investment holding company with principal interests in tea estates, metal treatments and general engineering, publishing, oriental and fine art and philately, has disposed of some investments. These have realised some significant gains.

He says some modest additions have also been made to existing holdings, but on balance he anticipates that disposals will exceed acquisitions. It is expected, therefore, that portfolio investments at December 31, 1980, will be reduced from the levels of last year.

The pattern in the trading companies is showing a sharp change in that the philatelic business is clearly suffering from high interest rates and the imposition of an increased rate of VAT, whereas sales of important works of art which are largely being made to overseas buyers, have been very strong, he says.

Inflationary factors, including interest rates, have resulted in sharply increased overheads and accordingly, the group is budgeting for a reduction of profits from this source.

In the last financial year the group's pre-tax profits were £331,000 (£432,000) from turnover of £1.83m (£1.75m).

BP TANKER

BP Tanker Company, the shipping arm of British Petroleum, is to change its name to BP Shipping.

The change is being made because the company is no longer involved exclusively in tankers. It also runs a number of supply, diving and emergency support vessels in the North Sea, has a substantial interest in the Stolt Nielsen parcel-carrying fleet, and will be diversifying into other areas of shipping, including gas, in the future.

ALLIED BUSINESS SYSTEMS

As the final step in a major re-organisation and expansion of capabilities, ABS Computers is the new name for the Allied Business Systems.

The restructuring of the company has been undertaken by the recently appointed managing director Mr. John Elsden and the sales and support teams have been doubled. Marketing is under the direction of Mr. John Parnell, ex-UK sales manager for CTL.

BALTIC MERCANTILE

Listing has been cancelled of **Baltic Mercantile and Shipping Exchange** 3½ per cent irredeemable first mortgage debenture stock, fully paid.

An application to make specific bargains in this security under rule 163 (2) may be submitted.

Mining round-up

Amax has declared a dividend of 60 cents (25p) per common share unchanged from the previous quarter and payable December 1.

* * *

Bridge Oil, Australia, will spend A$750,000 (£367,000) on exploration to earn a quarter interest in the Pandanus Creek uranium prospect in the Northern Territory.

* * *

A landslide at the **Idris** tin operation in Malaysia will cut production for about four weeks.

* * *

Mining operations at **Malaysiam Tin** have ceased until the outcome of an appeal to have the leases renewed is received.

* * *

Pre-tax profit for 1979 of **Gold and Base Metal Mines**, was £184,807 (£162,268).

* * *

Cassier Resources, Canada, will raise asbestos fibre prices by an average 12 per cent from next January.

It is reported from New Delhi that India is seeking long-term arrangements for the import of Zambian copper. The request was made by the Indian commerce minister Mr. Pranab Mukherjee during talks with the visiting Zambian minister for mines, Mr. Mufaya Mumbuna.

Mr. Mukherjee told him that India was also interested in importing precious and semi-precious stones and offered Indian expertise to develop Zambian mines. India plans to import a total of 55,000 tonnes of copper during the 1980-81 financial year.

* * *

Rand London Corporation's subsidiary, **Rand London Exploration** has taken up mineral options in South Africa's western Transvaal where tests indicate the possible presence of the gold-bearing Upper Witwatersrand strata of reefs, probably at depths of over 2,500 metres.

The company intends to invite certain other parties to participate in the project and in the establishment of any gold and uranium mine. The project will be managed by Rand London with drilling anticipated to start in the last quarter of 1980. Financing details will be announced when finalised.

RESULTS AND ACCOUNTS IN BRIEF

KWAHU COMPANY (finance)—Pre-tax profit for year to June 30, 1980, £116,746 (£107,634). Tax £17,524 (£40,405). Earnings per share 2.64p (1.79p). Dividend 1.84p (same).

GOLD AND BASE METAL MINES—Pre-tax profit for 1979 £184,807 (£162,268). Tax £104,839 (£97,234). Extraordinary debit £128,000 (credit £11,063). Earnings per share 1.29p (1.05p). No dividend (same).

HAYNES PUBLISHING GROUP — Results for year to May 31, 1980 reported September 9. Shareholders' funds £2.02m (£1.35m), bank balances £18,000 (£7,000), short-term investment £100,000 (nil), overdraft nil (£212,000). Meeting, Post House Hotel, Sherbourne, October 24 at noon.

ESPERANZA (international services)—Results for year ended March 31, 1980 with prospects reported September 6. Shareholders' net assets £9.49m (£9.73m). Bank loans and overdrafts £5.48m (£3.53m) of which £1.8m (£1.22m) secured. Medium-term loans £0.88m (£1.3m). Bank balances £4.64m (£4.89m). Ex-gratia payment to former director £8,250 (nil). Meeting, Winchester House, EC, October 27, 10.30 am.

Silver was fixed 53.05p an ounce lower in the London bullion market yesterday at 833.8p. U.S. equivalents of the fixing levels were: spot $19.91, down $1.25; three-month $20.58, down $1.304; six-month $21.186, down $1.395; and 12-month $22.192, down $1.851. The metal opened at 872-889p ($20.80-$21.20), and closed at 837-850p ($20.00-20.30).

JOS HOLDINGS (investment trust)—Results for year ended July 31, 1980, reported August 21. Listed investments in GB £3.1m (£2.97m), abroad £0.6m (£0.18m); unlisted £31,426 (£33,941). Shareholders' equity £3.84m (£3.33m). Chairman considers it most unrealistic to expect to see a rise in income comparable to that achieved in 1979-80. Meeting, 20, Fenchurch Street, EC, October 27, noon.

BIDS AND DEALS

Allegheny has 95% of Wilkinson

Holders of 95.3 per cent of **Wilkinson Match** ordinary shares have accepted the offer by Allegheny Ludlum Holdings, a wholly-owned subsidiary of **Allegheny Ludlum Industries**. Acceptances in respect of the offer for the preference shares total 95 per cent.

The offers have been declared unconditional in all respects and the arrangement by which Allegheny will acquire the whole of the Wilkinson 10 per cent convertible unsecured loan stock 1984-98 has become operative.

BOARD MEETINGS

The following companies have notified dates of board meetings to the Stock Exchange. Such meetings are usually held for the purpose of considering dividends. Official indications are not available as to whether dividends are interims or finals and the sub-divisions shown below are based mainly on last year's timetable.

TODAY

Interims: Allied Plant, Percy Bilton, Freemans (London SW9), Hambro Life Assurance, Minet, William Pickles, Silkolene Lubricants.

Finals: Campari International, Footwear Industry Investments, Raine Engineering Industries.

FUTURE DATES

Interims—

B.S.G International	Oct. 23
East Rand Gold and Uranium	Oct. 23
Fogarty (E.)	Oct. 16
Harris Queensway	Oct. 8
Howden Stuart Plant	Oct. 9
Martin (Albert)	Oct. 17
Moss Bros.	Oct. 8
Richards (Leicester)	Oct. 7
Runciman (Walter)	Oct. 28
Scottish Mortgage and Trust	Oct. 16
Sears Holdings	Oct. 7
Sellincourt	Oct. 14
Steel Brothers	Oct. 16
Time Products	Oct. 14
United Carriers	Oct. 9

Finals—

Ball (Arthur)	Oct. 29
Fairview Estates	Oct. 15
Free State Geduld Mines ...	Oct. 23
Kalamazoo	Oct. 22
President Brand Gold Mining	Oct. 21
President Steyn Gold Mining	Oct. 23
Welkom Gold Mining	Oct. 28
Western Holdings	Oct. 22

PFPUT MAKES U.S. PURCHASE

PFPUT MAKES US PURCHASE

The **Pension Fund Property Unit Trust (PFPUT)**, in association with Grosvenor International, has completed the purchase for around $11m of its third property investment in the U.S. The investment, which is a 300,000 sq ft package of office and industrial properties, has been purchased from the Trammell Crow Group, the U.S. development group.

The package comprises a 104,000 sq ft warehouse at Bensenville, Illinois; two identical "service centre" buildings each 48,000 sq ft also at Bensenville, and a 92,000 sq ft warehouse in the Chicago suburb of South Holland.

With the exception of 3,000 sq ft available in one of the service centre buildings, the entire package is fully leased.

Current gross income is over $1m per annum before debt service. There is the benefit of existing mortgages, and PFPUT's cash involvement is under $4.2m, including all costs.

PROVINCIAL LTD.

Hoover Trust Fund has acquired an interest in a further 319,215 **Provincial Limited** ordinary and now holds 1,904,868 (5.85 per cent).

BROWN & TAWSE

Following recent purchases, the **Sun Life Assurance Society** is interested in 532,500 (5.18 per cent) **Brown and Tawse** ordinary.

COWAN DE GROOT

Cowan, de Groot (Toys and Giftware), the toy subsidiary of **Cowan de Groot** has acquired **Jotastar** for £50,000 plus the value of the net assets at September 30, 1980, which will be approximately £50,000.

AUTOBAR

Autobar Group has acquired **Nicholls, Catercup and Catercup Machines**. Mr. Peter Unsworth will remain as managing director, and the companies will continue to trade as individual members of the group.

ASSOCIATES DEAL

S. G. Warburg and Co., as an associate of **Grand Metropolitan** bought on behalf of a discretionary investment client 100,000 ordinary shares of **Coral Leisure Group** at 90½p.

CATOMANCE ACQUISITION

Catomance has acquired **Stanhope Chemical (Holdings)**, the parent company of a small group.

Both companies are long established suppliers of preservative and remedial chemicals to industry, and have similar interests in timber and building products.

TULLETT & RILEY

Money brokers **Tullett and Riley Holdings** has taken over **London and Westminster (Sterling Brokers)**, a small specialist in the local authority securities market, for an undisclosed consideration.

Mr. D. H. Riley, managing director of Tullett and Riley, said London and Westminster would continue trading under its own name and staff would be added.

Tullett and Riley bought Nolton Money Brokers, a specialist in commercial and local authority securities, in August for £240,000 and has changed its name to Tullett and Riley Money Markets Company.

CFI/CRAY

The boards of **Capital for Industry and Cray Electronics** announce that notice has been given to convert the whole of the £625,000 9½ per cent convertible loan stock in Cray held by CFI.

The conversion terms are one fully paid ordinary share for each 53.57p worth of loan stock, amounting to 1,166,698 shares, being 10.5 per cent of the enlarged share capital of Cray. Application is being made to the Stock Exchange for the shares arising on conversion to be admitted to the official list.

Pending the issue of these shares, CFI has placed an equivalent number of Cray shares at 62.5p per share with five leading institutional investors, reducing its existing shareholding from 70.0 per cent to 58.3 per cent.

Following the allotment, CFI will hold 62.7 per cent of the enlarged share capital of Cray and this reduced level of ownership will be in line with its declared policy of wishing to create a wider shareholding base.

SHARE STAKES

Stock Conversion and Investment Trust—The trustee interest of S. Krendal has been reduced by 40,000 shares to 1.92m (5.51 per cent).

Alva Investment Trust—Cornhill Insurance Company has acquired 92,000 ordinary making holding 349,200 (21.825 per cent).

Plessey Company — D. H. Pitcher has exercised an option on 20,000 ordinary which were then sold.

Linfood Holdings—Guinness Peat Group acquired a further 17,500 ordinary shares and now hold 8,832,499 shares (20.036 per cent).

N.A.V. at 30.9.80
$61.40 (DFls120.71)
VIKING RESOURCES INTERNATIONAL N.V.
INFO Pierson
Holding & Pierson N.V.
Herengracht 214, Amsterdam

FINANCE FOR INDUSTRY TERM DEPOSITS

Deposits of £1,000-£50,000 accepted for fixed terms of 3-10 years. Interest paid gross, half-yearly. Rates for deposits received not later than 10.10.80.

Terms (years)	3	4	5	6	7	8	9	10
Interest %	13	13	13	13	13	13	13	13

Deposits to and further information from The Chief Cashier, Finance for Industry Limited, 91 Waterloo Road, London SE1 8XP (01-928 7822, Ext. 367). Cheques payable to "Bank of England, a/c FFI." FFI is the holding company for ICFC and FCI.

الشركة الدولية الكويتية للاستثمار ش.م.ك

Kuwait International Investment Co. s.a.k.

So far this year, K.I.I.C. has managed issues in the Euromarket totalling approximately

US$1,500,000,000

Issues Lead or Co-Lead

Svenska Handelsbanken
SDR. 15 million 11% Notes due 1985

National Bank of Hungary
US$ 50 million FRN due 1985

M.E.P.C.
US$ 35 million 8¼% Conv. Bonds due 1996

Export Development Corporation
Can.$ 25 million 11⅜% Notes due 1985

Tokyo Sanyo Electric Co. Ltd.
US$ 30 million 7¼% Conv. Bonds due 1990

City of Oslo
KD. 7 million 9¼% Bonds due 1990

The Gulf Bank
KD. 5 million FRCD's due 1985

Kuwait Real Estate Bank
KD. 5 million FRCD's due 1985

Issues Managed

Citicorp
US$ 300 million 10% Notes due 1986

E.N.E.L.
US$ 200 million F.R. Debentures due 1987

Denki Kayaka Kagyo
US$ 15 million 11% Conv. Bonds due 1990

European Investment Bank
US$ 100 million 11% Bonds due 1988

Federal Business Development Bank
Can.$ 60 million 11½% Notes due 1990

U.B.A.F.
US$ 65 million FRN due 1989

E.N.E.L.
US$ 100 million F.R. Debentures due 1987

Ferrovie Italy
US$ 250 million FRN due 1988

Kingdom of Denmark
Dfls. 100 million 10½% Bonds due 1990

Republic of Panama
US$ 25 million FRN due 1987

We also arranged a number of private placements and underwrote more than 100 Eurobond Issues denominated in all major currencies.

Kuwait International Investment Co. s.a.k.
Kuwait

January–September 1980

This announcement appears as a matter of record only.

SANYO

TOKYO SANYO ELECTRIC CO., LTD.

(Tokyo Sanyo Denki Kabushiki Kaisha)

Aggregate face amount on issue:

U.S. $30,000,000

7¼ per cent. Currency Linked/U.S. Dollar Payable Convertible Bonds Due 1990

Kuwait International Investment Co. s.a.k. **Daiwa Europe N.V.**

August 1980

PRIVATE PLACEMENT AUGUST 1980

These securities having been purchased, this announcement appears as a matter of record only.

Export Development Corporation

(An agent of Her Majesty in right of Canada)

Société pour l'expansion des exportations

(Mandataire de Sa Majesté du chef du Canada)

Can. $25,000,000

11⅜% Notes Due 1985

Kuwait International Investment Co. s.a.k. **Credit Suisse First Boston Limited**
Daiwa Europe N.V.

هكذا من الأصل

INTERNATIONAL CAPITAL MARKETS

INTERNATIONAL BONDS

BY FRANCIS GHILES

Investors put a toe in the water

"WHERE THERE is life there is hope," sighed one exhausted bond dealer after the confused scenes witnessed last Monday in the dollar sector of the Eurobond market. Despite the confusion witnessed earlier last week, many Eurobond dealers are optimistic about the run-up to the U.S. election. Undaunted by contrary evidence in the past few weeks, they are convinced that both the U.S. money supply figures and U.S. interest rates will drop again soon.

This conviction is, to a degree, shared by investors and it pushed prices of seasoned straight dollar issues up by more than one point last Friday. So fast did some bonds move up that dealers found themselves quoting prices to investors that were well under the level at which they themselves could obtain the paper in the market.

The week did, however, start on a sour note. The shock of very bad U.S. money supply figures 10 days ago hit Eurobond prices with a vengeance on Monday, pushing prices down by an average of 1½ points. The unwillingness of dealers, particularly in investment houses, to hold any paper in stock resulted in some very sharp falls in prices of individual issues despite the fact that the volume of paper being sold was not great.

Commercial banks, on the other hand, have been acting as a stabilising force and many observers believe that some recent straight issues, notably the two three-year ones launched the week before last, would have sunk to much deeper discounts had it not been for the fact that they were put into bank inventories. At the end of the week, the 12¾ per cent bond to 1983 for Transamerica Corporation was standing at 96¾-97¼.

On Tuesday and Wednesday the market picked up nearly as quickly as it had lost ground on Monday and, as the "real" investors started buying on Thursday and Friday, prices shot up strongly. Much depends for this week on how the market reacts to the new money supply data, which was much more favourable than many expected.

Two convertibles and two Floating Rate Notes were launched last week while the $30m convertible for Lear Petroleum was increased to $40m and moved to a slight premium as soon as it started trading on Thursday.

The privately placed Floating Rate Note for Sweden was specifically tailored for Belgian and Japanese banks. It enabled the former to get around the Belgian banking reserve requirements on bank lending outside the EEC. As for the Japanese banks, the rules set down by the Ministry of Finance in Tokyo which govern their participation in syndicated credits are very tight but they do not apply to Floating Rate Notes.

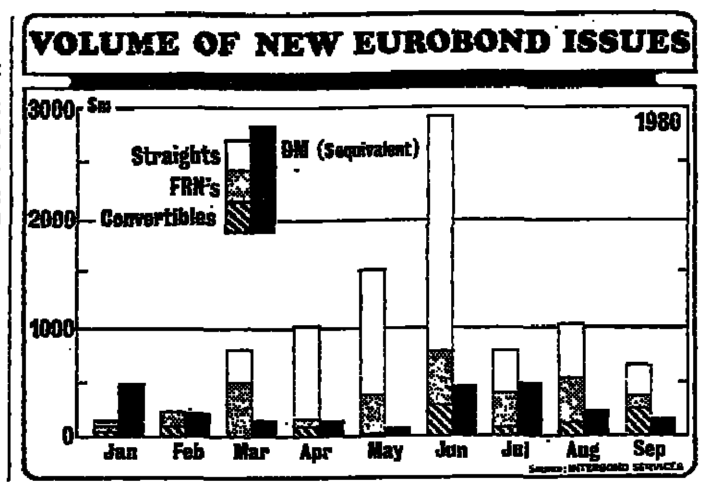
The two convertibles announced last week followed the pattern of recent months. One was for a Japanese company Matsushita, the other for a U.S. oil drilling company, Helmerich and Payne. This second bond is convertible into *shares of common stock of another U.S. concern, Sun Company.*

After spreading to the French Franc sector—where the 10¼ per cent convertible to 1991 for CIT-Alcatel was increased by FFr 20m to FFr 200m—the convertible vogue has now reached down-under. Metropolitan Estates Property Company is expected to launch an A$10m five-year convertible with a coupon around 8½ per cent late this week. The issue will be privately placed among the same group of banks led by Morgan Grenfell, which arranged a U.S. dollar convertible for the same borrower last July.

TOP LEAD MANAGERS IN THE EUROBOND MARKET

	Name	Amount $m.
1	Deutsche Bank	1,866.5
2	CSFB	1,454.0
3	S. G. Warburg	907.7
4	Morgan Stanley	869.7
5	Paribas	848.8
6	Goldman Sachs	580.0
7	Dresdner Bank	565.8
8	Citicorp	469.7
9	Salomon Bros.	432.5
10	WestLB	430.1

Note: Includes all public issues of Eurobonds (excluding Foreign bonds in domestic markets in Europe, U.S. and Japan) issued between January 1 and September 30, 1980. Full amount credited to lead manager, or divided equally between joint lead managers.



CURRENT INTERNATIONAL BOND ISSUES

Borrowers	Amount m.	Maturity	Av. life years	Coupon %	Prices	Lead manager	Offer yield %
U.S. DOLLARS							
‡Transamerica Finance Corp. Nv	50	1983	3	12¾	99½	Morgan Guaranty	12.480
‡§Nissho Iwai Corp	40	1996	—	8	100	Nomura (Europe)	8.000
‡§Esterline Intl. Fin. NV	20	1995	15	8½	100	Kidder Peabody Intl.	8.250
†Nat. Westminster Fin. BV	100	1992	12	5¼Φ	100	County Bank, Orion, CSFB	5.319Φ
**†IBJ Fin. Co. NY	50	1988	8	5¼Φ	100	IBJ Intl., Morgan Stanley	5.319Φ
‡§Lear Petroleum	40	1995	—	8	100	CSFB	8.000
§Matsushita	100	1995	—	7½-¾	100	Yamaichi Intl. Morgan Stanley	*
‡**†Kingdom of Sweden	150	1988	8	5¼Φ	100	Salomon Bros.	5.319Φ
†BNP	250	1988	7½	5¼Φ	100	BNP, CSFB	5.654Φ
§Helmrich Payne Fin. NV	50	1995	—	7½-8	100	CSFB	*
D-MARKS							
‡Oesterreichische Kbk.	150	1988	8	8½	100	Deutsche Bank	8.500
Forsmark (g'teed Sweden)	125	1987	6	8⅞	*	Commerzbank	*
FRENCH FRANCS							
‡§Cit-Alcatel	200	1991	10	10¼	100	Soc. Gen., CCF, Indosuez, Paribas	10.250
Renault	300	1985	5	13⅝	99¼	Soc. Gen., KIC, Morgan Guaranty Trust	13.770
SWISS FRANCS							
‡**§Tayo Yuden	20	1985	—	5⅞	100	Credit Suisse	5.447
†Autopistas Vasco Aragonesa	30	1990	—	6¼Φ	99	Soditic	6.593Φ
‡Kingdom of Sweden	*100*	*1990*	—	*6*	*100*	SBC	6.000
Union Bank of Norway	40	1990	—	6⅛	100	UBS	6.125
‡**§Gunei Chemical	20	1985	—	5⅜	100	SBC	5.375
LUXEMBOURG FRANCS							
**Sparbankernas Bank	250	1987	5½	11¾	100	Kredietbank (Luxem)	11.750
**F. G. Hypotheekbank	250	1985	5	11½	100	Kredietbank (Luxem)	11.500
GUILDERS							
‡**Nederlands Gasunie	25	1987	5½	10¼	99½	Bank Mees en Hope	10.354
NORWEGIAN KRONER							
‡Eksportfinans	100	1985	5	10¼	100	Christiana Bank, CSFB	10.250
KUWAITI DINARS							
City of Stockholm	7	1990	6.8	9¼	*	KIC	*
AUSTRALIAN DOLLARS							
‡Australian Industrial Dev. Corp.	30	1985	5	12½	99½	Hambros	13.390

* Not yet priced. ‡ Final terms. ** Placement. † Floating rate note. Φ Minimum. § Convertible. †† Registered with U.S. Securities and Exchange Commission. ¶ Purchase Fund.
Note: Yields are calculated on AIBD basis.

CREDITS

BY PETER MONTAGNON

Revival in volume proves elusive

LATEST figures compiled by Morgan Guaranty Trust confirm the sharp decline in volume of syndicated loans so far this year. New credits arranged during the first nine months were only $48.1bn compared with $60.2bn in the same period of 1979.

The drop was sharpest in lending to developing countries which totalled $23.8bn compared with $36.9bn. Fewer credits wer also granted to Comecon countries which took $2.2bn compared with $6.6bn, but these falls were partially offset by an increase of $5.2bn to $21.8bn in lending to industrialised nations.

Euromarket bankers are now firmly convinced that there is no hope of regaining this lost ground in the remaining three months of the year. Some suggest that there could be a flurry of new business following last week's International Monetary Fund meeting in Washington, but others say that the new rise in U.S. interest rates coupled with banks' continuing caution on lending to the Third World make even this prospect remote.

Moreover, the Bundesbank's decision last week to seek extra information on German lending to a select group of heavy borrowers could be a sign that regulatory authorities worldwide are beginning to tighten *their grip on the market. If this* happens, 1981 could turn out to be another slack year for syndicated loans.

One country meanwhile which still needs to raise a lot of funds this year is Brazil. Brazilian officials now say that the development bank BNDE will be the next public sector borrower for this country with an amount of about $200m. There will be four or five other deals of similar size between now and the end of the year some of them placed privately.

Brazil is understood to be ready to accept "realistic terms" on these credits. In the opinion of many banks this implies a marked upward movement in margins which on recent deals have been set at 1½ per cent over eight years.

Brazil has now raised about $8.7bn of its $12bn borrowing target for this year. In addition to the Public Sector deals it also hopes to raise about $500m a month from now on through Resolution 63 borrowing by Brazilian commercial banks.

Another deal which is in the offing is a $750m, 10-year financing for Alcoa Aluminio to finance a refinery and smelter in North East Brazil. The credit, which is being co-ordinated by Citibank, is expected to enter syndication early next month. Final terms are not settled but currently anticipated margins are on a split 1⅝-1¾ per cent basis.

Elsewhere little change is expected to emerge when the Japanese Ministry of Finance officially revises quotas for Japanese banks' syndicated lending in the period October/March. The 20 per cent limit on Japanese bank participation in credits, which is already applied fairly flexibly will remain.

One loophole which has emerged, however, is that Japanese banks have been able to buy Floating Rate Notes without restriction. The latest Sweden issue was specially constructed to allow for this, for example, and it is not yet clear whether this loophole into the Euromarkets may be *tightened.*

Among other deals, Zimbabwe is already embarked on its second Euromarket borrowing. Its state railways are seeking $17m to finance purchase of track from South Africa. Terms are the same as those on the Air Zimbabwe deal, which, like this one, is managed by Manufacturers Hanover and bears a split 1½-1¾ per cent margin over five years.

Argentina's current $300m Eurocredit for the state oil concern YPF is reported to be meeting a slow response in syndication. In part this is due to the belief of Euromarket bankers that spreads for Argentina may rise further and in part to the large number of banks already in the lead management group.

U.S. BONDS

BY DAVID LASCELLES

Fall in money supply eases tension

THE U.S. credit markets open on a brighter note today after a bunch of good news at the end of last week. And though the wild gyrations of the last month or so have made analysts wary of forecasting, the mood on the trading floors suggests that a decline in interet rates maybe in the offing.

The biggest tonic was the latest money supply report on Friday which showed quite sharp drops in the two most widely followed measures: M-1a and M-1b, the first in six weeks. The declines brought the measures back down to the upper range of the Fed's annual targets, which are 3.5 to 6 per cent for M-1a and 4 to 6.5 per cent for M-1b. Clearly, there will have to be several weeks of declines before the markets feel *comfortable. But if, as many* economists feel, the economy has slowed down a bit in September-October, the underlying pressures should be easing.

The other indicator which had a big bearing was the Producer Price Index for September which showed a drop of 0.2 per cent, its first in four years. It was probably exaggerated by mark-downs at the big automakers who wanted to clear out old inventory for the new model year which starts this month. But it was a big improvement over the previous month's gain of 1.5 per cent.

The market also drew comfort from a statement by Mr. Paul Volcker, the chairman of the Federal Reserve, that the markets had probably over*reacted to the rise in rates.* Mr. Volcker's remarks, which were provoked by an attack on Fed policy by President Carter, marked his first comments about the present state of credit. Earlier in the week, the Fed had clearly been struggling to contain the surge in the key Fed funds rate (the overnight inter-bank rate) by supplying funds when it crept much over 13 per cent. Its efforts were not wholly successful, but a Fed spokesman was quoted as saying that bank reserves had been unexpectedly tight.

Thus, while the surge in the prime rate from 13 to 14 per cent last week suggested a surge in the cost of money, developments at the sharp end of the market indicate things may be getting better, not worse.

But the market does face an immediate challenge: A huge volume of new offerings this week. After the comparative lull of September, well over $1bn of new corporate and municipal bonds will be sold (including $450m of Southern Bell T and T 40-year debentures) as well as $1.5bn of 15-year treasury bonds. If the market can absorb all this without losing too much ground, traders will probably begin to talk more confidently of a rally.

U.S. INTEREST RATES (%)

	Week to Oct 3	Week to Sept 27
Fed funds weekly avge.	13.36	11.22
3-month Treasury bill	11.36	11.15
3-month CDs	12.90	12.15
Treasury 30-yr. bond	11.67	11.58
Long-term AAA utility	13.38	13.50
Long-term AA industrial	12.68	12.88

Source: Salomon Brothers. Estimates

FT INTERNATIONAL BOND SERVICE

U.S. DOLLAR STRAIGHTS	Issued	Bid	Offer	Change on day	Change on week	Yield
Brit. Oxygen F. 10¼ 90	50	†83¾	84⅝	+0⅞	+1⅛	13.80
CECA 11½ 88	100	92¾	93¼	+0⅛	−0⅜	12.97
Citicorp O/S Fin. 10 86	300	88⅞	89⅜	+0½	−0¼	12.76
Con. Illinois O/S 9¾ 86	150	87⅛	87⅝	+0¼	−0⅝	12.97
Denmark 11¾ 90	100	91⅝	92½	+0⅛	+0¼	13.26
Dome Petroleum 13½ 92	50	100⅞	101⅜	+0⅛	+0⅞	13.27
EEC 11 96	75	86	86½	+0½	+0⅜	13.14
EEC 11 95	70	87	87½	+1⅛	+1	12.98
EIB 11⅞ 92	80	90	92	+0¼	+0⅞	13.31
EIB 13¾ 90	100	102	102½	+0½	+0⅛	13.28
Eksportfinans 11¾ 87	50	93½	94	+0⅛	−0½	12.72
Eksportfinans 9½ 87	75	85¾	86¼	+0¼	−0⅛	12.88
Elec. de France 10 88	125	86⅞	87⅜	+0⅛	−0⅛	12.68
Export Dv. Cpn. 12¾ 87	100	99¾	100¼	+0½	+0⅛	12.71
Export Dv. Cpn. 9½ 86	150	87½	88	+0¼	+0¼	12.80
Federal Dev. Bk. 12¾ 85	75	98⅜	98⅞	+1¼	+0⅞	12.61
Fin. Exp. Credit 10½ 85	50	90⅞	91⅜	0	+0⅜	13.09
Finland Rep. of 9½ 86	100	85½	86	−0⅛	−0½	13.30
Ford O/S Fin. 12⅝ 85	250	96⅞	97⅜	+0⅛	+0⅛	13.44
George Weston 13½ 87	30	†99½	100	+0½	+0⅜	13.51
GMAC O/S Fin. 11 84	100	94¼	94¾	+0⅛	+0⅛	12.74
GMAC O/S Fin. 13⅝ 85	100	101	101½	+0⅛	−0⅛	12.93
Goodyear O/S 12½ 87	75	97⅜	97⅞	+1⅛	+0⅜	13.01
Hudson's Bay 11½ 90	75	91	91½	+0⅛	−0⅜	13.12
IBM Canada 10½ 86	50	93¾	94½	+0⅛	−0⅛	12.17
ICI Fin. Ned. 11 83	100	†95¾	96¼	+0⅛	0	12.80
Int. Harvester 12¾ 85	115	97¾	98¼	+0⅛	+0⅛	13.30
McGraw 13½ 85	75	99½	100	+0¼	+0¾	13.51
NorWest Ind. 13⅝ 87	50	99⅛	99⅜	+0⅜	+0½	13.69
Nova Scotia 10¾ 90	50	88¼	88¾	+0½	−0½	12.86
OKB 10 85	50	91½	92	+0⅛	+0⅞	12.36
Pembroke Capital 9¾ 87	100	†86	86½	+0½	−0½	12.75
Pemex 11½ 88	100	92⅛	92⅝	+0⅝	+1	13.10
Quebec Hydro 11½ 92	100	88¼	88¾	+0⅛	−0¾	13.48
Repsteel O/S 11½ 88	100	87⅜	88⅜	+0⅛	+1⅛	14.11
Roylease 11¼ 85	50	95½	96⅞	+0⅛	−0⅛	12.50
SNCF 12⅞ 85	50	99½	100	+0⅛	+0¼	12.40
Swed. Ex. Cred. 12½ 85	40	96⅝	97⅛	−0⅝	−0½	13.40
UB Finance BV 11 90	50	†84½	85¼	+0½	−0⅞	13.87
Unilever NV 9¾ 90	100	83½	84	+0⅛	+0½	12.73
World Bank 9¾ 85	200	90¼	90¾	+0¼	−0⅛	12.51
World Bank 10¾ 87	300	88⅞	89⅜	+0⅛	−0¼	12.73

Average price changes... On day +0⅛ on week +0⅛

DEUTSCHE MARK STRAIGHTS	Issued	Bid	Offer	Change on day	Change on week	Yield
Australia 8¼ 90	250	99⅞	100⅜	−0⅛	0	8.09
Austria Rep. of 8¼ 92	150	96¾	97¼	+0⅛	−0⅛	8.66
BFCE 7¾ 87	100	94¼	94¾	−0⅛	−1⅛	8.92
BFCE 8¼ 85	100	95	95½	+0½	−0⅛	8.71
Brazil 8 87	150	87⅜	87⅞	+1	+1⅞	10.63
CECA 7⅝ 92	150	94⅝	95⅛	+0½	+1⅛	8.57
Denmark 7⅝ 86	100	†96¾	97½	+0⅛	+0¼	8.55
Denmark 8¾ 92	100	†97½	98¼	−0⅛	+0⅛	8.54
EEC 7¾ 94	225	94⅛	94⅝	+0⅛	+0¼	8.58
Finland Rep. of 8 86	150	95⅝	96¼	+0½	−0⅛	8.88
Iberduero SA 8 90	100	†98½	99¼	+0⅛	−0½	9.17
Japan Dev. Bk. 7½ 87	100	95⅝	96¼	+0⅛	+0½	8.41
Kobe, City of 8 90	100	97⅛	97⅝	+0⅛	−0½	8.38
Mt. Bk. Denmark 8½ 90	150	†97	97¾	0	−0½	8.90
Norway 7½ 85	250	98⅛	98⅝	+0½	+0½	7.81
Nuclebras 9¾ 86	100	†97	97⅝	+0⅛	+0⅞	10.24
OKB 8½ 92	150	97	97½	+0¼	+0⅛	8.62
Oslo, City of 8¾ 90	80	99¾	100¼	0	−0⅛	8.76
Sweden 8¾ 87	200	†103¾	104¼	−0⅛	−1½	8.89
World Bank 8 90	700	96	96¾	+0⅛	−0¼	8.55
World Bank 7⅞ 90	250	94¼	95¼	+0½	+0½	8.67
World Bank 10 86	150	107⅜	108⅛	+0⅛	+0⅛	8.14
Word Bank 10 90	200	108½	109	+0⅞	+0½	8.61

Average price changes... On day +0⅛ on week 0

SWISS FRANC STRAIGHTS	Issued	Bid	Offer	Change on day	Change on week	Yield
Austria Rep. of 5⅞ 90	100	98⅜	98⅞	+0⅛	0	5.61
Bayer Int. Fin. 5⅝ 92	100	98⅝	98⅞	−0½	−1⅛	5.39
Bergen, City of 6 90	50	102	102½	+0⅞	+0¼	5.69
BMW Overseas 4¾ 91	100	85⅝	85⅞	+0⅛	−0½	6.06
Buhrm'n-Tetterode 7 90	40	104	104¼	−0½	−0⅛	6.40
Caisse Nat. Tele. 4¾ 89	100	92¼	92½	+0⅛	+0¼	5.48
Copenhagen Tele. 5¾ 90	60	94⅜	94⅝	−0⅛	−0⅛	6.52
Denmark 5¾ 90	80	97	97¼	−0⅛	−1⅛	6.15
EIB 4¾ 94	100	†83	83½	0	+0⅛	6.21
Elet. de France 4¾ 89	100	90½	90¾	−0⅛	−1½	5.76
Elet. de France 5¾ 90	100	95	85¼	+0½	+0½	5.91
F. G. H. Hypo. Bk. 6 90	50	†101¾	101⅞	+0⅛	0	5.79
Finland Rep. of 5⅝ 90	80	93¾	94	−0⅛	+0¼	6.48
GZB 4¾ 89	100	87⅞	88	−0⅛	−0⅛	6.02
Int.-Amer. Dev. 4½ 89	100	90	90¼	−0⅛	−0½	5.97
Int.-Amer. Dev. 7 90	80	103⅞	104⅛	0	+0⅛	6.42
Jutland Tele. 5½ 90	60	†97	97½	0	+1¼	5.89
Mt. Blanc Tunnel 5½ 90	60	98½	98¾	+0⅛	−0¼	5.68
Newag 5¾ 90	80	100⅞	101⅛	0	+0⅛	5.61
Nippon Tel. & T 4¾ 89	100	90⅞	91	+1½	+1⅛	6.57
Norges Komm 4⅝ 91	100	85⅜	86	+0⅛	+0⅛	6.18
OKB 4⅝ 91	100	85½	85¾	+0½	+0¾	6.22
OKB 6 90	100	103	103¼	+0¼	+0½	5.56
Oslo, City of 4¾ 91	100	85½	85¾	+0½	+0⅛	6.21
Philips Lamps 5¾ 92	100	97⅜	97⅝	+0⅛	−0½	5.57
Sekisui Pre. Hms. 6 90	80	101⅞	102⅛	+0⅛	+0⅛	5.72
Shikoku El. Pwr. 4½ 89	100	95¼	95½	+0½	−0¼	6.78
Trade Dev. Fin 6⅜ 90	50	91¼	91½	−0¼	+0¼	6.03
Voest Alpine 5¾ 90	80	96⅜	96⅞	0	+0⅛	6.20
World Bank 4¼ 89	150	87⅝	88	−0⅛	−0⅛	6.17

Average price changes... On day +0⅛ on week 0

YEN STRAIGHTS	Issued	Bid	Offer	Change on day	Change on week	Yield
Australia 5.6 83	30	91	92	0	−0⅛	8.91
Australia 6⅝ 88	20	87½	88½	0	0	8.75
EIB 7⅜ 89	12	96½	97½	0	+0⅛	8.23
Finland 5.8 83	10	90⅝	91⅝	0	+0⅛	9.01
Finland 6.6 88	10	87⅝	88½	0	−0⅛	9.16
Finland, Rep. of 8⅛ 87	15	96	97¼	−0⅛	−0½	9.05

Average price changes... On day 0 on week −0⅛

OTHER STRAIGHTS	Issued	Bid	Offer	Change on day	Change on week	Yield
Bell Canada 10¼ 86 C$	60	91⅞	92¾	+0⅛	0	12.70
CIBC 13½ 85 C$	50	99¼	99¾	+0⅛	+0⅛	13.59
CIBC 11½ 85 C$	60	94¼	94¾	−0⅛	−0⅛	13.08
Federal Dev. 11½ 90 C$	50	87	88	+0⅛	−0⅛	13.89
Fst. Con. Inv. 10 84 C$	50	89½	90¾	+0⅛	+0⅛	13.58
GMAC 12 85 C$	50	†92½	93½	+0⅛	+0⅛	14.09
R. Bk. Canada 10 86 C$	40	91⅛	92⅛	0	+0⅛	12.07
Tordom Cpn. 13½ 85 C$	30	99	99¾	0	+0⅛	13.63
M. Bk. Dnmk. 9 91 EUA	25	93⅞	95⅛	0	+0⅛	9.83
SOFTE 8¾ 89 EUA	40	88⅞	90⅛	0	+0⅛	10.13
U. Bk. Nrwy 9½ 90 EUA	18	99⅛	100⅛	0	0	9.48
Algemene Bk. 10⅛ 87 Fl	400	99⅛	99⅝	0	−0⅛	10.34
Bk. Mees & H. 10 85 Fl	75	101⅛	101⅞	+0⅛	+0⅛	9.58
F. G. Hypo 9¾ 87 Fl	80	96½	97	0	0	10.42
Heineken NV 10 87 Fl	75	99½	100	−0⅛	−0⅞	10.04
Nat. Inv. Bk. 10 87 Fl	75	98⅝	99⅛	0	+0⅛	10.22
Nat. Neder 9½ 87 Fl.	80	96⅞	97⅜	+0⅛	+0⅛	10.14
Neder Mdn Bk 10 85 Fl	75	102	102½	0	+0⅛	9.41
Aero Paris 13⅝ 87 FFr	150	97⅞	98⅜	0	−1⅛	13.80
CECA 14¼ 86 FFr	150	102½	103½	0	−0⅛	13.39
Finland 11 84 FFr	80	91	92	0	−0½	13.88
Finland 11½ 89 FFr	70	89⅛	90¼	−0⅛	−0⅛	13.50
Gaz de France 11 84 FFr	150	91⅛	92⅛	+0⅛	−1⅛	13.58
IBM France 11⅞ 84 FFr	120	93⅞	94⅞	0	−0½	13.67
Renault 9¾ 85 FFr	100	84½	85½	0	−2	14.27
Solvay et Cie 9¾ 87 FFr	125	82	83	0	−1	13.96
Utd. Mex Sts. 14 85 FFr	150	98⅞	99⅞	0	−0⅛	14.13
Beneficial Fin. 14¼ 90 £	20	99⅛	99⅞	+0½	+0⅞	14.30
Citicorp O/S 13½ 90 £	50	98½	99	+0½	+1⅛	13.71
EIB 11½ 91 £	25	89⅜	90⅜	+0⅛	+0⅞	13.28
Fin. for Ind. 14½ 88 £	28	101½	102¼	+0½	+1⅛	14.03
Fin. for Ind. 13¾ 87 £	20	99¼	100	+0⅛	+1⅛	13.84
Gen. Elec. Co. 12½ 89 £	50	95⅞	96⅝	+0⅛	+0⅞	13.22
Peugeot SA 14 90 £	23	98	99⅛	+0⅛	+1⅛	14.12
Rothschild 14¼ 90 £	12	98⅜	99⅛	0	+0½	14.42
Swed. Ex. Cr. 15⅛ 85 £	20	104	104½	+0⅛	+0⅞	13.81
Banobras 8¾ 90 KD	7	†90⅛	91⅛	0	−3⅛	9.75
CCCE 8½ 91 KD	10	†86⅝	87⅜	+0⅛	−2½	10.21
Sonatrach 8½ 90 KD	12	†91⅛	97⅛	0	−0⅛	9.88
Akzo 9¾ 87 LuxFr	500	92⅛	93⅛	0	−0⅛	10.68
Euratom 8 87 LuxFr	500	86⅜	87⅜	0	−0⅛	10.82
Euratom 9⅛ 88 LuxFr	500	97⅛	98⅛	0	−0⅛	10.21
EIB 9¾ 88 LuxFr	600	97½	98½	0	0	10.13
Volvo 9¾ 87 LuxFr	500	94½	95½	0	−0⅛	10.77

FLOATING RATE NOTES	Spread	Bid	Offer	C.dte	C.cpn	C.yld
Allied. Irish Bk. 5¾ 87	0¼	97⅝	98⅛	2/1	10.44	10.66
Bank of Ireland 5¾ 89	‡0¼	98	98½	21/11	11⅛	11.58
Bank of Tokyo 5¾ 89	‡0¼	97⅝	97⅞	25/10	9⅛	9.48
Barclays O/S Inv. 5 90	0¼	97¼	97⅝	13/12	9⅝	9.87
Bergen Bk. A/S 6 89	‡0¼	97⅝	98⅛	29/11	12⅛	12.52
Bilbao Int. NV 5¾ 90	0¼	97⅝	97⅞	29/11	10.06	10.32
Citicorp O/S F. 83	§‡0	99	99⅜	23/11	11.44	11.52
Citicorp O/S F. 94	‡0	98⅛	99⅛	30/10	13⅛	13.21
C. Itoh 5¾ 87	0¼	98¼	99¼	16/3	12⅞	13.01
Co-operative Bk. 6 86	0¼	98	98½	15/11	11.44	11.64
Creditanstalt 5½ 91	§‡0¼	97½	98	14/12	12.06	12.34
CNT 5¾ 86	§0¼	99⅛	99⅝	16/10	18⅛	18.22
GZB 5½ 89	‡0¼	98	98½	1/11	9.81	9.99
Jugobanka 8 89	0⅞	91¼	93¼	23/11	11⅛	12.80
Ind. Bank Japan 5¾ 87	0¼	99	99½	15/10	18⅛	18.89
Lloyds Eurofin 8 90 £	0¼	96⅞	97¼	3/1	15⅝	16.24
LTCB Japan 5¾ 86	0¼	98⅛	98⅞	13/12	9⅝	9.76
LTCB Japan 5½ 89	0¼	97⅞	98⅛	7/12	10⅛	10.33
Mfrs. Han. O/S 5¾ 94	‡0⅛	97⅝	98	30/11	12⅛	12.39
Midland Intl. Fin. 5 89	0¼	97½	98	20/12	9½	9.72
Midland Intl. Fin. 5⅝ 92	0¼	97⅞	97⅞	5/12	10⅞	11.14
Nacional Fin. 6¼ 88	0¼	97½	98	25/1	9.69	9.91
Nat West 5⅝ 94	§0⅛	98	98½	11/10	18⅛	18.96
Nippon Credit 6½ 86	0¼	97	97½	12/1	9.56	9.83
Nippon Credit 5¾ 87	‡0¼	98⅜	98⅞	6/11	10⅞	11.03
Royal Bk. Scot. 5¾ 94	§‡0¼	98⅛	99⅛	11/10	9.31	9.42
Soc. C. de Bque. 5½ 87	0¼	97⅝	98⅛	3/10	20.06	20.47
Standard Chart. 5½ 90	0¼	97¼	98⅛	6/3	12.06	12.31
Svenska Hndlsbk. 5 87	0¼	97⅞	98⅛	15/1	10	10.19
Sweden 91	‡0¼	†96⅞	97⅜	18/10	9.56	9.85
Williams & Glyn 5¾ 91	0¼	98⅛	98⅝	14/3	12.44	12.64
Sq. ext. d'Alg. 4¼ 89 SF	0½	86	86¼	18/12	6⅛	7.11

Average price changes... On day 0 on week −0⅛

CONVERTIBLE BONDS	Cnv. date	Cnv. price	Bid	Offer	Chg. day	Prem
AGA Akt'bolag 7¾ 89	10/79	145	†121½	122½	−0½	−5.62
Ajinomoto 7¼ 95	2/80	615.5	136¾	137¾	0	−1.11
Apache I. Fin. 8¼ 95	12/80	21.12*	†131	132	+3	−5.93
Blocker Energy 8¾ 95	1/81	21.87*	†108½	110	+2½	−3.95
Canon 6⅛ 94	8/79	570	†128⅛	128⅝	+0⅞	−0.97
Credit Suisse 4¾ 93	10/79	1278	†117	118	+2½	−1.92
Daiei Inc. 6½ 94	11/79	927.3	†96¾	97¾	−0⅛	18.51
DDKK 11 90	4/80	324	†104⅛	105½	−0⅞	14.54
Digicon Fin. 8½ 95	10/81	29.5	*196½	98	+2⅛	8.26
Dynalectron 9½ 95	8/80	12.22*	†109	110	+3	3.89
Ensearch Fin. 9½ 94	7/80	30.25	†139¼	140½	+1½	−1.21
INA Overseas 8⅛ 2000	4/81	42	†100⅜	101⅜	+0½	2.77
Inchcape Ltd. 8 95	2/81	4.55	107⅛	108⅛	+0⅛	−1.60
JACCS 7½ 95	11/80	585	†105	106	+3⅛	6.27
Meidensha Elec. 7 94	12/79	210	†106½	107	−0½	−1.54
MEPC 8¼ 96	2/81	2.47	†106	107	0	11.40
Ricoh 6⅛ 95	8/80	604	109⅜	110⅛	+2⅛	−0.86
SBC 6⅛ 90	9/80	200	†100	101½	+0⅞	7.34
Tricorp 8½ 95	12/80	31.25	*97	98	+1⅛	23.73
Union Bk. Switz. 5 89	2/80	121.4	†97½	99½	+0⅞	0.97
Fujitsu 6 94 DM	7/79	475	123½	124½	+4½	11.32
Sharp Corp. 6½ 88 DM	9/80	595	121½	122½	+6½	3.96
Uny Co. 6½ 85 DM	11/79	1071	96	97	+0½	13.77

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BONDTRADE INDEX AND YIELD

	Medium term		Long term	
Oct. 3...	n.a.	n.a.	n.a.	n.a.
Sept. 26	n.a.	n.a.	n.a.	n.a.
High '80...	93.68	(18/6)	89.19	(2/1)
Low '80...	86.32	(2/4)	71.54	(29/2)

EUROBOND TURNOVER
(nominal value in $m)

U.S. $ bonds	Cedel	Euroclear
Last week	1,089.1	2,805.3
Previous week	901.7	3,207.4
Other bonds		
Last week	275.0	448.7
Previous week	262.2	316.8

* No information available—previous day's price.

† Only one market maker supplied a price.

STRAIGHT BONDS: The yield is the yield to redemption of the mid-price; the amount issued is in millions of currency units except for Yen bonds where it is in billions. Change on week= Change over price a week earlier.

FLOATING RATE NOTES: *Denominated in dollars unless* otherwise indicated. Coupon shown is minimum. C.dte=Date next coupon becomes effective. Spread=Margin above six-month offered rate (‡ three-month; § above mean rate) for U.S. dollars. C.cpn=The current coupon. C.yld=The current yield.

CONVERTIBLE BONDS: Denominated in dollars unless otherwise indicated. Chg. day= Change on day. Cnv. date=First date for conversion into shares. Cnv. price=Nominal amount of bond per share expressed in currency of share at conversion rate fixed at issue. Prem=Percentage premium of the current effective price of acquiring shares via the bond over the most recent price of the shares.

The list shows the 200 latest international bonds for which an adequate secondary market exists. The prices over the past week were supplied by: Arab Company for Trading Securities SAK; Kredietbank NV; Credit Commercial de France; Credit Lyonnais; Commerzbank AG; Deutsche Bank AG; Westdeutsche Landesbank Girozentrale; Banque Generale du Luxembourg SA; Banque Internationale Luxembourg; Kredietbank Luxembourg; Algemene Bank Nederland NV; Pierson, Heldring and Pierson; Credit Suisse/Swiss Credit Bank; Union Bank of Switzerland; Akroyd and Smithers; Bankers Trust International; Bondtrade; Credit Commercial de France (Secs.) London; Citicorp International Bank; Daiwa Europe NV; Deltec Trading Company; Dillon, Read Overseas Corporation; EBC; First Chicago; Goldman Sachs International Corporation; Hambros Bank; IBJ International; Kidder Peabody International; Merrill Lynch; Morgan Stanley International; Nesbitt Thomson; Orion Bank; Salomon Brothers International; Samuel Montagu and Co.; Scandinavian Bank; Strauss Turnbull and Co.; Sumitomo Finance International; S. G. Warburg and Co.; Wood Gundy.

Closing prices on October 3

This announcement appears as a matter of record only

City of Oslo
(Kingdom of Norway)

Kuwaiti Dinars 7,000,000
9¼ per cent. Bonds due 1990

Kuwait International Investment Co. s.a.k.
The National Bank of Kuwait S.A.K.
Sparebanken Oslo Akershus

Burgan Bank S.A.K.–Kuwait · The Industrial Bank of Kuwait K.S.C.
Bergen Bank · Christiania Bank og Kreditkasse
Den Norske Creditbank · Union Bank of Norway Ltd.

Abu Dhabi Investment Company

Alahli Bank of Kuwait K.S.C.
Al-Bahrain Arab African Bank (EC) · Arab International Finance Ltd.–ARINFI
Bank of Bahrain and Kuwait B.S.C. –Kuwait Branch · The Dai-Ichi Kangyo Bank Nederland NV
Financial Group of Kuwait K.S.C. · Genossenschaftliche Zentralbank AG–Vienna
Jordan Securities Corporation · Kuwait Financial Centre s.a.k.
Kuwait International Finance Co. SAK (KIFCO) · Kuwait Investment Co. S.A.K.
Kuwait Pacific Finance Company Limited · The Nikko Securities Co. (Europe) Ltd.
Union de Banques Arabes et Francaises (U.B.A.F.) · Yamaichi International (Europe) Limited

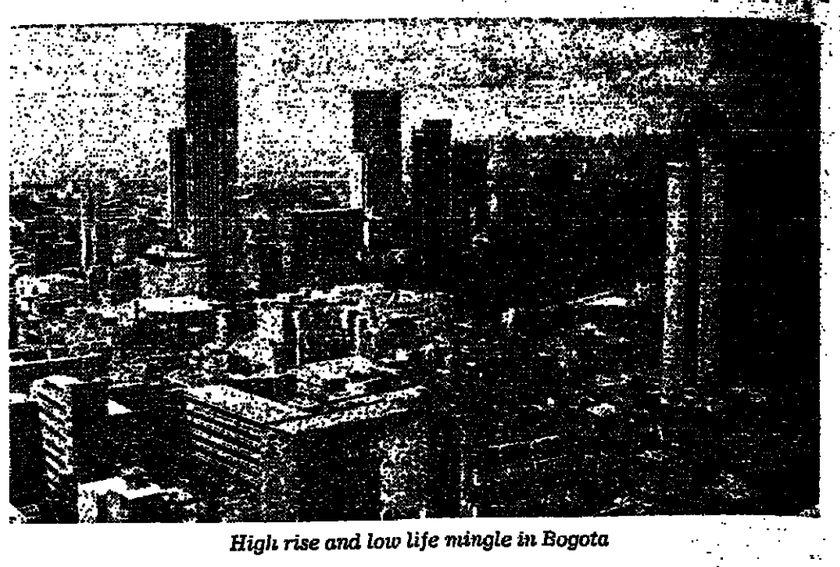
August 1980

FINANCIAL TIMES SURVEY

Monday October 6 1980

Colombia

Colombia's agricultural and mineral riches could make it one of the most prosperous countries in the world. Yet it remains underdeveloped, despite an unpredictable series of booms in the late 1970s. Strenuous efforts are now being made to bring the country out of its backwardness.



High rise and low life mingle in Bogota

Riding on the roller coaster

By Hugh O'Shaughnessy

COLOMBIA IS the quintessential Latin America—or at least the quintessence of what non-Latin Americans think that Latin America is. More than any other country of the region it contains physically within its borders and psychologically in the character of its inhabitants those attributes which are looked on as making up the Latin American recipe.

It is first of all a big, lightly populated and extremely varied country. Its topography ranges from the palm-lined beaches of the Caribbean through impenetrable jungles on the coast and in the Amazon basin to cooler, richly productive highlands and high mountain peaks, some covered with eternal snows.

The country contains all sort of riches which, if they were developed with the skills that the Dutch put into their market gardening or the Swiss put into their watchmaking, would make the inhabitants among the most prosperous on earth. Apart from the agricultral riches of the country there is gold and the world's finest emeralds and some of the best and biggest deposits of nickel and coal known to man.

But Colombia is not Holland or Switzerland, it is a developing country with just a century and a half of independent existence. Only three decades ago it had a population which was half illiterate and of whom 70 per cent lived in the countryside. Three decades ago, too, it was in the middle of what was simply known as *la violencia*, a spasm in the population which was set off by the killing in Bogota of a populist leader, Jorge Eliecer Gaitan, which degenerated into battles between members of the liberal and the conservative parties and which degenerated yet again into killing for its own sake. Scores of thousands of people died. Nothing was gained.

The savagery of *la violencia* left deep and enduring scars on the psyche of Colombia, which the politicians hoped would be soothed by the alternation in power of each of the traditional parties. Apart from an interlude of military dictatorship under General Gustavo Rojas Pinilla this system of power sharing has survived to this day.

After a time in which a Liberal president had, by law, to follow a Conservative in office the present situation has emerged under which the party whose candidate wins enough votes to claim the presidency has to make space in his cabinet for ministers of the other party.

Thus President Julio Cesar Turbay Ayala, a Liberal, has five Conservatives in his Government, two from each of the two leading factions of the Conservative Party and a fifth independent conservative. Oratorical powers rather than the merits of a candidate's programme or the strength of his organisational abilities are the keys to political office. Administrative and financial scandal is not uncommon in Colombia.

Untamed

To paint such a portrait of Colombia is to confirm the stereotype of a Latin American country which is potentially fabulously rich but untamed and difficult to deal with. But to leave the matter there and write off Colombia as a violent and politically intractible country would be to do less than justice to the efforts that have been made to bring the country out of its underdevelopment and to prevent it falling into the sort of deadening political totalitarianism that afflicts many countries of Latin America and in particular those of southern South America.

In the past three decades the population has increased by 150 per cent and, whereas it had been 70 per cent rural, it is now 70 per cent urban, the most enterprising of the peasantry having flocked into the cities in the hope of bettering themselves.

In the period the gross domestic product of Colombia has risen more than 3½ times. The development process has however been beset with sudden and startling developments which have made it not smooth and sustained but often jerky and unpredictable. It was, for instance, entirely unpredictable that frosts in Brazil should have all but wiped out that country's coffee crop in 1977 and brought a tremendous bonanza to the Colombian coffee trade which for years had been in the doldrums.

In 1977 Colombian coffee was fetching $2.40 a pound, three times the price it had fetched two years previously. As a result, a surge of money came into the country, transforming the fortunes of many Colombians. The coffee bonanza has passed and coffee prices are today no more than half what they were at their peak though a strong selling campaign has doubled the quantity exported.

Another and more dubious bonanza has come more recently in the shape of the big trade in narcotics which, according to what estimate of earnings you believe, could be bringing into the country $1½bn or $2½bn.

The bonanza has brought immense political and social problems in that the trade is illegal and has involved greatly increased corruption and violence and has, despite government arguments to the contrary, severely increased inflationary pressures.

Yet at the same time it has brought a new source of wealth to the countryside and has given cash to peasants which they could not have dreamed of a decade ago.

Bonanza

The 1980s could bring another big bonanza as the mining industry booms with nickel from the Cerro Matoso project and coal from the deposits of El Cerrejon boosting the balance of trade.

Thus a series of booms have helped and are helping the economy to grow. The effect has often been that of a sickening rollercoaster but despite the difficulties and the ups and downs the economy has expanded at an increasingly fast pace.

A decade and a half ago Colombia was deeply in debt to the outside world and its international reserves were a minus quantity. Today they stand at more than $5bn, nine times what they were five years ago and the fear there once was that the economic growth would be strangled by the lack of foreign exchange has today evaporated.

It would be pleasant to report that the political system of the country had grown in strength *pari passu* with growth of the economy. Such however, is not the case. Various facts demonstrate that the political system of power-sharing between Liberals and Conservatives, while mitigating the murderous hostility there once was between the two parties, has not captured the loyalty and support of much of the electorate. Abstention at elections is high and it is common even at national elections for no more than one voter in three to turn out to register his choice.

Colombia too has suffered a continuous and nagging campaign from a number of guerrilla groups. The membership of these groups is not numerous. According to the army there are no more than about 1,800 members in all the groups together. Nor are their politics very clear.

The M-19 which pulled off the daring coup of capturing a score of ambassadors and diplomats at the Dominican Embassy at the beginning of the year seems to be made up of the most diverse of political bedfellows whose leaders have on different occasions called themselves nationalists, liberals, socialists, social democrats and anti-imperialists.

The other main group, the FARC, claims loyalty to Moscow and the Colombian-Moscow line Communist Party. The Communists in Moscow, and Bogota appear to have a very ambiguous attitude to them, not overtly supporting them yet not entirely cutting their links with them. (In Colombia the Kremlin, by maintaining relations with both the Turbay Government and its guerrilla opponents is exhibiting, albeit in mitigated form, that political opportunism which elsewhere in Latin America, in Argentina, say, and in Bolivia, allows it to keep warm ties of friendship with regimes of the extreme Right, while maintaining its Marxist-Leninist rhetoric.)

The divisions among the guerrillas are so deep that they are incapable of co-operating, but their very existence is a sign of active revolt against a system which, according to the government's critics on the Left and the Right, has become too inward looking and too unconcerned with Colombia's social problems of large unemployment, big pockets of indigence and wide disparities of wealth.

Military

Critics, again on the Right and on the Left, accuse the government of allowing the military too much say in government and of permitting them under the regulations which govern the state of siege that has regulated life in Colombia for much of the past 30 years to disregard citizens' rights.

Yet even the government's severe critics recognise that the present political system, imperfect and insensitive as it undoubtedly is to some of the problems of Colombia, has maintained a margin of liberty of expression and of debate which is not to be found in many countries of the region. The debates which are going on in Bogota today about the state of human rights, the need for political reform and the place of the army in society, carry hope for a peaceful evolution of Colombian society without more of the violent traumas that the country itself suffered 30 years ago and which some of its neighbours are continuing to undergo. If like Venezuela, Ecuador and Peru, its partners in the Andean pact, Colombia can maintain a healthy pluralism, it will help the political evolution of Latin America.

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Vast areas of Colombia have virtually no manufacturing industry, relying instead on more traditional activities—such as the smallholding in the Cauca valley

High interest rates divert investment from industry to financial sector

COLOMBIAN industrialists are among the most vociferous critics of the Government's policy of keeping interest rates high. They complain industry is no longer an attractive risk to investors, who can gain huge returns in the financial sector.

Apart from short-term considerations, the National Association of Industrialists (ANDI) considers that Colombia's industrial growth during the 1970s was far from satisfactory. Production grew by a respectable average of 6 per cent a year, but manufacturing's share of GNP remained steady at just under 20 per cent.

Although it would be an exaggeration to say that industry is in the doldrums, the sector has certainly lost the impetus of the fifties and sixties, when import substitution was in full swing. In 1950, industry contributed less than 15 per cent to GNP; 20 years later the figure had risen to 19.3 per cent. Meanwhile Bogota and Cali had attracted a high proportion of new plants, reducing Medellin's early dominance.

Medellin still produces about two-thirds of the country's textiles and more than half of the tobacco industry is concentrated in the province of Antioquia. But both sectors have been badly hit by the growth of smuggling, and unemployment in Medellin has topped 100,000.

Local natural resources have provided the basis for the development of industries such as food, drink and tobacco, petrochemicals, wood and cement. Only now, however, are serious efforts being made to exploit deposits of nickel, coking and steam coal, copper and uranium. These are large scale projects which require public and foreign funds, and complement decentralisation policies.

Heavy state investment in energy and transport should also help to resolve some of the worst bottlenecks in Colombia's main ports and in the electricity sector — power has to be rationed in the capital whenever the dry season is prolonged, and severe shortages are expected over the next two years.

Compared with most other Latin American countries, Colombian industry is relatively independent. National capital predominates, raw materials are mainly local, and, until recently, industry catered almost entirely to the domestic market. Since the late sixties there has been a big increase in foreign trade, with both manufactured exports and imports for the production of intermediate and capital goods growing rapidly.

Export drive

The export drive of the early 'seventies boosted textiles, sugar, printed material, chemicals and leather and wood articles, but after 1975, with the growth of protectionism in industrial countries, it became difficult to find foreign buyers for manufactured products. Expansion plans went ahead, and companies were using a much higher proportion of their industrial capacity by the end of the decade, but hardly any new ventures were undertaken.

Foreign capital, restricted since 1971 by the Andean Pact's Decision 24, is strongly represented in chemicals, the vehicle industry, synthetic fibres, drugs, paper and metalworking. Industry as a whole attracted nearly 60 per cent of foreign investment (excluding oil) between 1967 and 1979.

The U.S. and Switzerland lead the field, but West Germany and France, as well as Venezuela, Panama and Ecuador have made significant contributions.

Colombian industry has been the envy of other Andean Pact countries for its greater diversification and efficiency, but recent problems in, for example, the textile sector, point to a weakening of its competitive position. Protection for textiles, shoes and clothing is equivalent to 116 per cent in import tariffs; for food and drink the level is 78 per cent; for metalworking, 51 per cent.

All these figures will soon have to be adjusted to the Pact's Common External Tariff, and Colombia's industrialists are adamant that the customs privileges enjoyed by Ecuador and Bolivia should not be allowed to damage full economic integration.

Only a quarter of the economically active urban population is employed in industry, and industrial jobs have grown slowly in comparison with the informal sector. Although medium and small establishments contribute less than 15 per cent of industrial production, they provide nearly half the employment, and are strongly represented in cities under half a million.

Vast areas of the country have very little manufacturing apart from small-scale food and drink plants. Some 15 of Colombia's 26 provinces contribute less than 1 per cent each to total industrial output. Incentives to draw modern industry away from the big cities have so far had relatively little effect.

Archipelago

A group of small-scale industrialists recently reported that 20 out of 22 factories set up in an industrial park at Duitama, north of Bogota, had closed down mainly because of credit problems. An industrial archipelago, to be built on six islands, is planned for Cartagena, and Korean and Italian firms are among the first to commit themselves to investments. The archipelago project is intended to create 20,000 jobs within 12 years.

Intermediate and capital goods industries have grown fastest in recent years, but food and drink, clothing and textiles still account for nearly half of industrial production. As they already satisfy some 95 per cent of internal demand, there is little potential for the expansion of non-durable consumer goods—unless export markets can be opened up again.

Much of the machinery in this sector is obsolete, and the giant (by Colombian standards) textile companies have had to reduce prices by as much as 20 per cent to compete with smuggled goods. Some 132m metres of cloth are reportedly being brought in illegally, and one of the biggest local producers, Fabricato, is running radio commercials to try to dissuade Colombians from buying contraband textiles.

A massive injection of capital is needed, say the industrialists, and the Government should take a more positive role in strengthening the manufacturing sector.

The state Industrial Development Institute, which sponsored several big projects in the 'sixties, has been less active in recent years, apart from its support for vehicle and steel companies. Unless major investments are made in steel, pulp and paper, cement, fertilisers, rubber and petrochemicals, imports of these products must rocket during the 'eighties — and Colombia already has a high oil import bill to finance.

The boom of the early 'seventies took non-traditional manufactured exports from $95m in 1970 to $529m in 1974. This year they represented 57 per cent of all exports. But during the second half of the decade, earnings from industrial products barely maintained the same value in real terms, and their share of total exports fell to 28 per cent in 1979.

However, many industrialists are more optimistic about the prospects for foreign sales than they are about the home market, which, they say, will only expand during the 'eighties if income distribution improves.

Sarita Kendall

BALANCE OF PAYMENTS BY SELECTED ITEMS
($m)

	1965	1970	1975	1978	1979	1980
Current inflows	495.8	800.0	1,788.8	3,598.7	4,622.6	3,671.0
Coffee	346.7	405.5	634.5	1,702.5	1,769.4	1,328.4
Gold	—	7.9	29.7	33.8	74.2	179.6
Others	149.1	386.6	1,124.6	1,862.4	2,779.0	2,163.0
Current outflows	387.4	858.6	1,758.7	2,795.4	3,488.1	3,176.7
Oil and gasoline	—	—	26.3	243.1	571.0	346.1
Others	387.4	858.6	1,732.4	2,552.3	2,917.1	2,830.6
Capital account and errors	−47.4	114.1	88.2	−146.3	485.9	491.8
Net international reserves	−61.5	152.0	547.3	2,481.8	4,106.1	5,125.2

REAL WAGES

	% Increase Aug. 78/Aug. '80
Rural areas	20.4
Intermediate cities	9.9
Largest cities	9.7

ECONOMIC AND DEMOGRAPHIC GROWTH

	GDP (%)	Population (%)	Per capita GDP (%)
1965-70	5.9	2.8	3.0
1970-75	6.1	2.7	3.3
1975-80	5.8	2.2	3.5

Luck and hard work put foreign reserves in black

A DECADE and a half ago Colombia was, in terms of its international financial relations at least, a hopeless case. At the end of 1965 its gross international reserves were down to $145.3m and net of liabilities they stood at minus $61.5m. Two years later the position had eased fractionally so that the net reserves stood at minus $36.3m. Today the reserves are back in the black with a vengeance and stand around the $5.1bn mark; the international banks are bursting to lend to Colombia.

The country's slow climb out of the financial hole it found itself in during the 1960s was the result of a mixture of hard work and good luck. In the mid-1970s the disasters which hit other coffee growers, notably Brazil, spared Colombia, so that the country was able to coin money selling its coffee abroad at bumper prices. Since then coffee prices have dropped a little from the peak of $2.50 a pound in 1977 to just under $2 today. But the Colombian coffee growers have managed to double their export production so the country is making much more money now than then—$1.1bn in the first seven months of 1980.

The financial renaissance of the 1970s was not all due to the good luck of the coffee growers. During the decade the Government encouraged industries which had hardly ever exported before to sell abroad, so the balance of trade was boosted by big sales of leather and textiles, flowers and many other products.

Meanwhile, in the shadows an export trade was growing up in narcotics which today could be worth perhaps $1.5bn in a full year. The income from marijuana has compensated for a falling-off on non-traditional exports which have been priced out of some international markets by rising domestic costs.

The ease with which the potential wealth of Colombia could be realised has been well illustrated this year with the flowering of a new gold industry which could well add a further $400m to the reserves in the course of this year. The balance of payments surplus is likely to be between $900m and $1.4bn.

The outlook is good in general. Two big mining projects, mentioned in greater detail elsewhere in this survey, will in the next few years begin to bring in revenues from sales of nickel and coal, while the farm sector could become much more important if the plains on the eastern side of the Andes were used to raise even a fraction of the cattle they could carry.

Oilfields

The only black cloud on the horizon is the calamitous necessity for Colombia, for long a net exporter of oil, to have to buy in increasing quantities of fuel. The last year Colombia exported oil was 1975. Since then, partly because of the distressing financial state of the Government-owned oil company, which is obliged to sell petrol at levels much lower than the world prices, there has been inadequate exploration. Though the country has large areas where oil is likely to be found little new productive capacity has been discovered which would offset the declining productivity of existing oilfields.

Last year 37 wells were to be drilled. In fact only 29 were, and the only promising show of oil was discovered so far off the beaten track, in the Amazon Basin, that it does not at present justify the investment required to bring it to market. Last year Colombia had to spend $189.5m on oil imports and by the middle of the decade the figure could well have risen to $500m or more.

Though the country may have to face some strain on its balance of payments in the middle of the decade there seem likely to be few difficulties in the years immediately ahead. A consultative group of lender countries and institutions convened last year in Paris by the World Bank to study Colombia declared itself happy with the foreign borrowing requirements of $5.9bn in the 1979-82 period suggested by the Government for its development plans. There can be no doubt that Colombia could get much more money for its public sector plans if it sought it.

If the task of raising finance is not a particularly difficult one, that of maintaining the value of the peso at nome is far more complicated. Last year saw severe inflation by Colombian standards, when the cost of living rose by around 30 per cent compared with less than 20 per cent the year before.

This year the Finance Minister has assured the country that he will be able to keep it under 25 per cent. But the effect of the big development plans, the appearance of a great deal of funds from the narcotics trade which circulate outside the orthodox banking system and the rapid rise in the exchange reserves will combine to put Dr. Garcia Parra's word to the test. Various commentators, the U.S. Embassy included, have forecast that the rate of inflation will be closer to last year's level than 25 per cent. The Government, however, points to the effect of a credit squeeze and a brake on money creation to maintain the validity of its aims.

Hugh O'Shaughnessy

BASIC STATISTICS

Area	1,138,338 sq. km.
Population:	25.52 m
GDP	$19.57 bn*
Per capita income:	$767*
Total Trade: ($m)	
Exports:	3,381
(Coffee: 2,018 or 60%)	
Imports:	3,365
Trade with UK: (£m)	
Exports:	23.87
Imports:	52.26

1979 figures.
* 1978 dollar equivalent.

Printing, an important industry in Colombia, made a considerable contribution to the export drive of the early 1970s. But since 1975, protectionism has made foreign markets increasingly difficult

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BAVARIA, S.A.
FAMOUS SINCE 1889.

Giant coal project goes ahead with foreign investment

"THERE ARE about twenty big companies here—BP, Shell, Atlantic Richfield and many others—and we're all on our knees begging to be given access to some of Colombia's coal." The representative of one of the major oil companies was being startlingly frank about the high level of interest in Colombia's coal.

So far, however, only one coal project is going ahead, though it is one of the biggest civil engineering projects in the Western hemisphere. By the end of the decade, the joint venture between the Colombian Government's carbocol and Exxon's intercor could be producing 25m tonnes a year at El Cerrejon on the Guajira peninsula in the far north-east of the country. The total investment will be $3bn.

The immense riches of El Cerrejon have been known for more than a century. Indeed, a French engineer conceived a scheme which would have made Colombia the provider of fuel to many of the coaling stations of the Caribbean and the Gulf of Mexico one hundred years ago.

In 1975, under the Government of President Alfonso Lopez Michelsen, Dr. Jaime Garcia Parra, then Mines and Energy Minister, negotiated a deal with Exxon to begin exploiting the potential of the deposit. Coal is to be found all over Colombia, round Bogota, in the Cauca valley along the Pacific coast, and near the mouth of the Atrato river.

Most of it is found far inland and could never be used on a large scale without huge investments in transport, though Brazil has signed an agreement with Colombia to examine and exploit the coking coal near the capital. Of the two deposits near the sea, El Cerrejon is of higher quality. It has a lower sulphur content than the one near the Atrato river, which runs through some of the wettest and boggiest country in the world.

Carbocol

In the next few years, Carbocol will be preparing for production. It will have to move 180m tons of soil and rock a year to reach the coal. El Cerrejon should be selling 15m tons of coal by 1988.

Even before this happens, the area will have to be equipped with a 150 km railway linking El Cerrejon with the coast. At the coast a port will have to be built. The site chosen, on a very inhospitable coastline, is Bahia Portete — now mainly used by the active, rich and violent smuggling community of the Guajira.

The smugglers' launches will have to be superseded by accommodation for ships of up to 100,000 tons and later of up to 250,000 tons. The magnitude of the task is shown in the fact that at present, no port in Colombia can take a ship of more than 60,000 tons.

In addition to the railway which is being built to the highest standards at considerable cost, the mine and the port will be linked by road. President Turbay announced last month that the railway between El Cerrejon and Bahia Portete would eventually be linked up with the country's main railway network, which joins Bogota to the port of Santa Marta along the valley of the Magadalena River.

Near the mine at Barrancas, 3,000 houses are to be built to accommodate the workers needed at the site. An electricity supply and telecommunications have to be installed.

At the pit, draglines with a capacity of 30 cubic yards will feed a fleet of tipper trucks which can carry up to 170 short tons.

Although it will be five years or more before coal from El Cerrejon is ready for sale, both partners in the venture, Carbocol and Exxon, have already begun their marketing efforts. The contract between the partners — both have 50 per cent stakes in the project — stipulates that each will have the right to market half the production. In addition, each will have the right to meet half any order obtained by the other.

Marketing

Exxon appears to have come to an agreement with a Danish buyer, while Carbocol is said to be negotiating with Spain, among others. Exxon's decades of marketing experience give it a strong lead, while Carbocol seems to be placing more emphasis on government-to-government deals, in which the authorities in Bogota can be of help. Europe is seen as the prime selling area, but some coal may go to U.S. buyers on the Gulf coast.

Raising the necessary capital will be complicated, if not for Exxon, then for the Colombian company. The Colombian Government is expecting a good deal of help from the international institutions. Speaking in Riohacha, the town nearest to the site, last month, President Tubay referred to the "gigantic financial and institutional effort" required by the project.

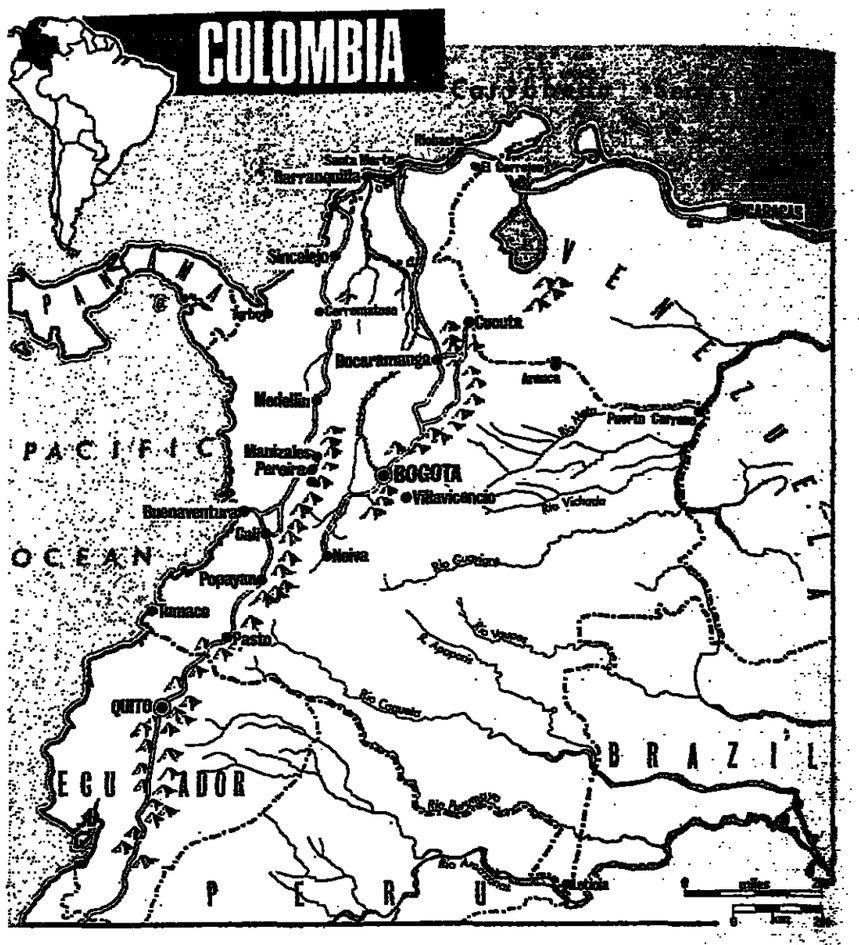
Colombia's capacity to borrow is very large. The country has reserves amounting to 15 months' imports, a relatively low level of indebtedness, and conservative financial attitudes. The Government should therefore have little difficulty in eventually finding its share of the money.

There remain doubts in the minds of some observers about the smoothness with which the project will be executed. Already, nationalist voices in Bogota have criticised the conditions granted Exxon, which are seen as all too concessionary.

Though Colombia does not have the tradition of ultra-nationalism found, for instance, in Argentina under the successive Peronista governments, such sentiments are not entirely unknown in the country. There are those, too, who warn that Colombia has not yet developed the technical and managerial expertise to manage a complex relationship with a big multinational company like Exxon.

The Government's deal with Exxon covers only one of three sections of the El Cerrejon coalfield. So it is going cautiously before signing any more contracts on the other two sections. These two could well become as productive as the first, and other international companies are eyeing them with the greatest interest. The present project could become even bigger as the world, seeing the dangers of too great a reliance on oil, discovers once again the advantages of coal.

H.O'S.



Nickel: a new force in the world market

CERRO MATOSO is a small project compared to El Cerrejon—as are most projects in the world. But it is big for Colombia and will have the important effect of bringing the country on to the world international metals scene.

In the early part of 1982, Colombia will start exporting ferro-nickel from a deposit of high grade ore 250 miles north-west of Bogota. By then, about $350m will have been invested by Cerro Matoso S.A. —a corporation in which Billiton, the Shell metals subsidiary, will have a 35 per cent stake: Econiquel, a Colombian semi-State company, 45 per cent: and Conicol, an affiliate of Hanna mining and Standard Oil of California, the remaining 20 per cent.

By early 1984 the company hopes to be exporting 22,600 tonnes of nickel to Billiton, which wants to become a power in the international nickel market.

For a decade, the project had been nursed along by Hanna which, despite passing interest from Japan was never able to get it fully developed. Billitons interest, however, helped financing plans. These plans made substantial progress at the end of last year, when Cerro Matoso S.A. signed $225.7m investment package, which include $80m from the World Bank, $5.7m from the Export-Import bank of the U.S., and $120m from a consortium led by Chase Manhattan.

A good deal of work has already been carried out at the site of the opencast mine near Montelibano in the province of Cordoba, which will eventually be producing 850,000 tonnes of ore a year. Piles are being driven for the rotary kiln/electric furnace that will reduce the ore into ferro-nickel containing between 35 and 40 per cent nickel.

Heavy plant

Some of the heavy plant has begun to arrive at the Atlantic port of Cartagena from where it will be taken by barge up the Magdalena river to the site. Over the next 18 month, Cerro Matoso hopes to stockpile 1m tonnes of ore ready for the reduction plant when it comes into operation.

In April 1982, Cerro Matoso should be processing its first consignment for transport down the river to Cartagena. The Colombian Government can demand an 8 per cent royalty paid in kind, under the terms of the 25-year concession granted on the ore. The company has to make its production available to Colombian and other Latin American consumers at international prices.

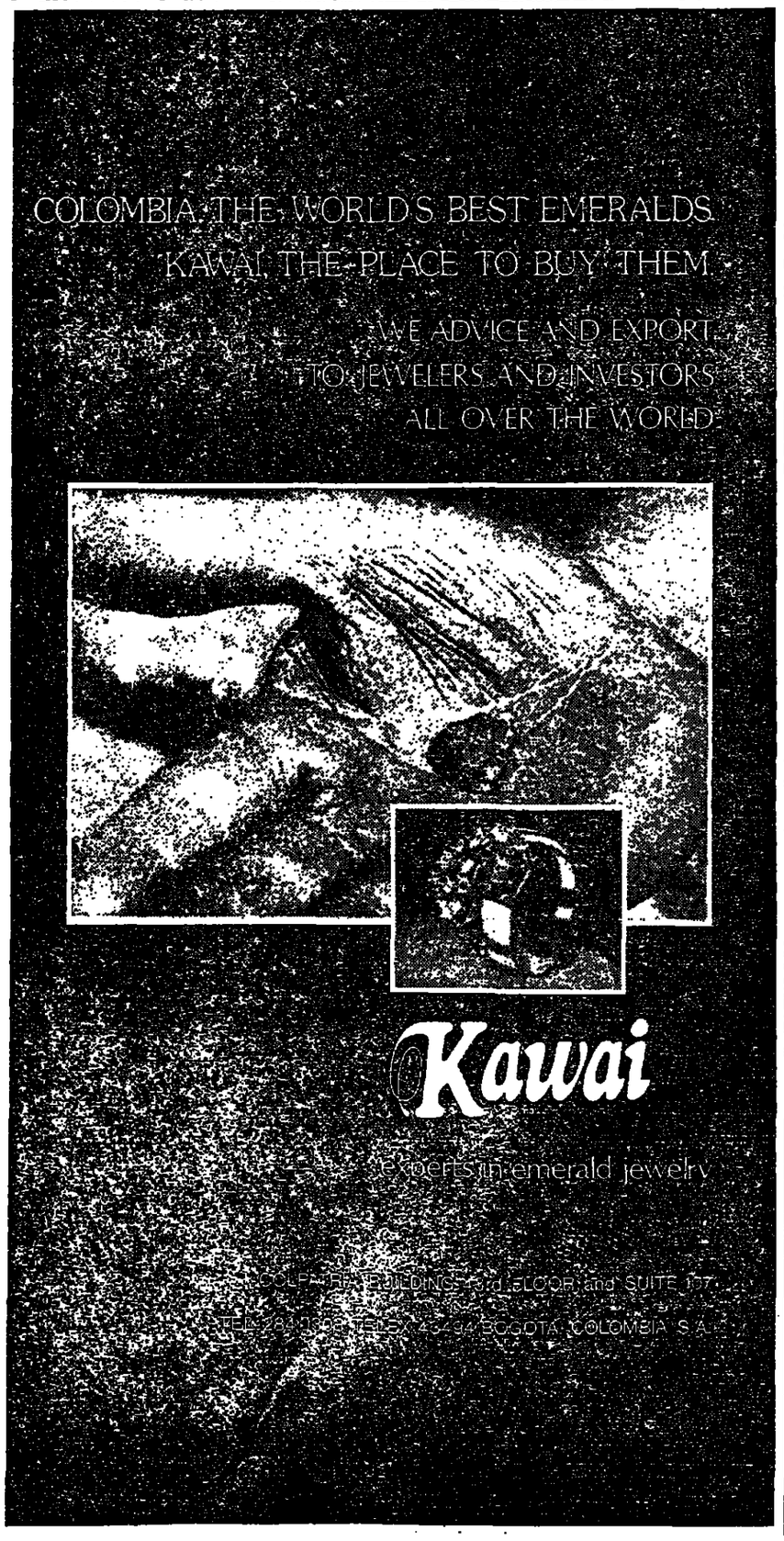
If export prices were no more than $2 a pound, the nickel from Cerro would make a useful contribution of around $100m to Colombia's export revenue. Through Cerro Matoso nickel, Shell will be taking an important step in its diversification out of oil. In the process, another major producer of nickel will emerge: for many years, the metals production has been dominated by a very small number of large companies headed by International Nickel.

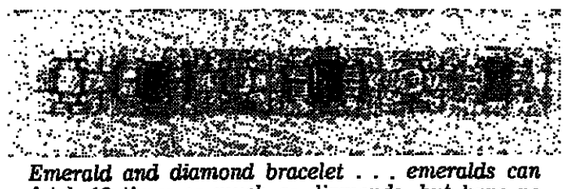
Life at the site, as in most of Columbia, is very tough. The bush covering the orebody is alive with wild creatures, from giant snakes to parrots, and human violence is not far from the surface.

Cordoba also has its share of marijuana plantations, and this does not make for tranquility as growers and traders struggle to safeguard their illegal export traffic against the best efforts of the Government and the army. Nor is the guerrilla problem ever far from the minds of those involved in the activities of multi-national companies in Colombia.

Nevertheless, those in charge of the project are confident of future progress. And economic analysts are already incorporating exports from Cerro Matoso in their projections for Colombia's balance of payments in the 1980s.

H.O'S.





Emerald and diamond bracelet . . . emeralds can fetch 10 times as much as diamonds, but have no industrial value

Emeralds still a double-edged gift

IT WAS emeralds that proved Colombia's biggest attraction to the Spanish conquistadors, but the location of the mines producing the deepest green stones remained a secret of the Muzo Indians, even though it led to the tribe's extermination. The mine today known as Muzo, legend has it, was found by accident when a Spanish lieutenant's horse was lamed by an immense crystal.

Recent exploitation of the mines has been no less harried by accident and violence, and a rich natural resource is still of little benefit to the country. The State mining company Cpas. Ecominas made so heavy a loss because of employee thefts and a partial take-over of the mining area by gangsters that it was forced to give up its legal monopoly of emerald production and invite bids for concessions. The private companies now working the Muzo and Coscuez mines claim that production is so low that they should be allowed to renegotiate the fixed amounts payable to the Government.

The perfect Muzostone—large, flawless, deep-coloured and full of fire—can be priced up to ten times higher than a diamond but it has no industrial value.

With the recent growth of investment in tangibles, the emerald has become a favourite with gem experts, speculators and even Japanese consortia. A small number of foreign buyers have a firm hold on the market for the top quality stones and the largest brokerage houses are almost exclusively Japanese.

One of the specialist freelance buyers working on commission for a few European clients always carries a briefcase on his Bogota purchasing trips containing a microscope to check the crystal structure of stones that interest him. Synthetic emerald production is now so sophisticated that only a microscope can prove whether minute inclusions are natural or have been forged in a laboratory in Tokyo or Los Angeles. Though many fakes are too crude for any client but an unsuspecting tourist, synthetics can be good enough to fool experts.

Colombia's mines produce about 95 per cent of the world's quality emeralds and are concentrated in an area 70km by 20 km of lawless mountains and jungle. The chance to make a fortune is an inevitable draw for all manner of drifters and desperadoes, and hundreds sneaked into the mines to wash the river beds for stones, to tunnel secretly under company property and even to live off the fortunes of others. Violence and killings became commonplace.

When the death toll passed twenty a week in mid-1974 the army was forced to move in to expel some 20,000 clandestine prospectors and close the almost bankrupt mines.

Concessions

Not surprisingly, an attempt to interest foreign companies in concessions produced not a single valid bid and in 1977 Muzo was leased out to two main syndicates with members including some old-timers who had started their fortunes as prospectors. Partners in the Empresa Minera Boyacense complain that the heavy running costs and tax payments to the Ministry of Mines make it impossible to invest in the new equipment and infrastructure needed to make a profit from the increasingly scarce gem veins.

Emerald exports for 1979 are officially given as about $105m. This gives an apparent increase of 250 per cent on the previous year but the great majority of emerald transactions take place without any records and can be used to cover up or provide explanations for money from illicit business. So the drop in emerald exports recorded for the first half of 1980 does not necessarily bear any relation to current production rates. A smaller mine near Muzo is up for bids, and it will be interesting to see whether there are any takers who believe they can turn emerald mining into a good and legal business.

S.K.

Eldorado revisited as gold-mining booms

COLOMBIA WAS Eldorado at the time of the Spanish conquest; it is becoming Eldorado again in the 1980's.

In the sixteenth century, Europe seized with enthusiasm on the legend of El Dorado "the gold-plated man," a legendary Indian whose name was later applied to a region believed to possess fabulous wealth, somewhere within the borders of what is today Colombia and Venezuela.

The legendary Indian had a basis in fact for the primitive inhabitants of the region were master gold-workers. The pre-Columbian exhibits in gold museum of the Banco de la Republica, in Bogota, bear eloquent witness to their skill.

But after the coming of the Spaniards, the gold which the aborigines had produced and worked seemed to come to nothing, and the Spanish kings never received the golden hoards their colonisers had promised them.

Mining and panning for alluvial gold continued spasmodically over the centuries. Records for this century show that the highest output was registered in 1941, when just over 20 tonnes were produced. During most of the last decade output fluctuated between just under six and just over eight tonnes a year.

But the recent sharp rises in the metal price have been doing wonders for output over the last year or more. Production this year could begin to match the levels of the early 1940's and should provide a very welcome $400m for the Banco de la Republica, which buys all the gold not needed by Colombian manufacturers.

Prospectors

Not only has output shot up, but the extraction of gold has been revolutionised. Until very recently all but a small proportion of the gold came from mining companies, often foreign-owned, which mined the metal as an industrial process. The balance came from individual prospectors who panned the rivers of the republic.

Today these proportions have been totally reversed. According to Banco de la Republica figures, 84.6 per cent of the metal is being bought from small and medium producers and only the remainder from the bigger mining companies.

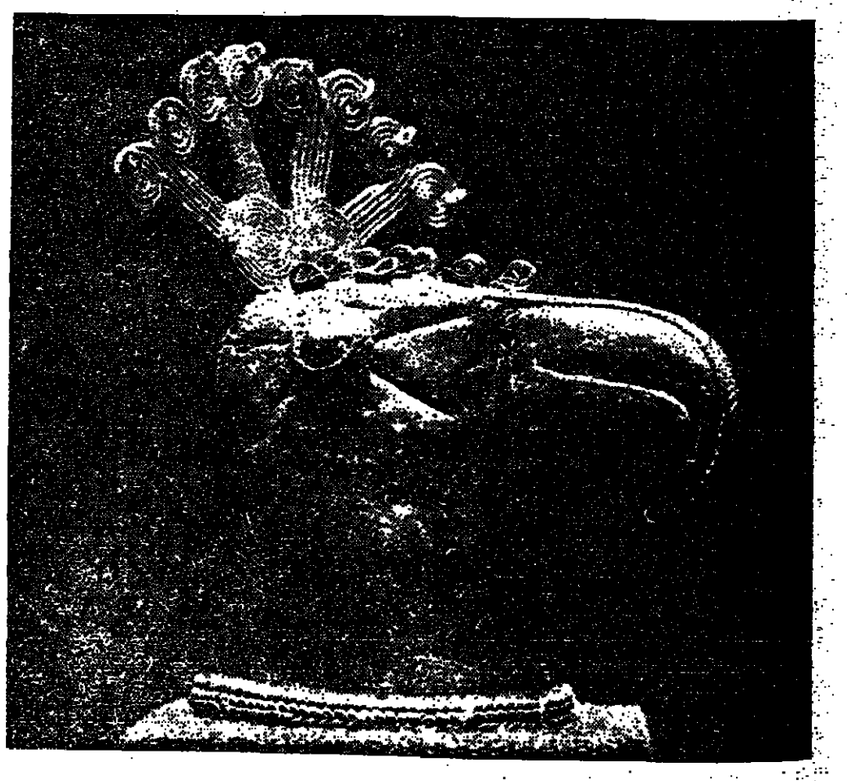
The news that gold was fetching more than 500 dollars an ounce sent hundreds of prospectors out into the Colombian countryside. With shovels and pans, they prospected the rivers and mountains, confident that the State-owned bank would give them a fair price for whatever they brought in.

The bank points out that the process had an excellent social effect, since it brought money to the farthest corners of the country, which were very often afflicted with extreme poverty.

The bank has set up a network of buying stations where the metal is roughly assayed. Then it is sent to Medellin for refining by one of the bank's contractors, and stowed away in the bank's vaults there. The new gold joins the existing reserves, much of which is valued at its pre-1978 price and has not been revalued to current levels.

The bank is now pressing the Government to get on with its promised measures to help the industry, which will enable the prospectors to improve their techniques. "Country people are washing the riverbeds practically with the same tools used by our first aborigines," it says. With better techniques much more gold is there for the taking.

H.O'S.



Harpy eagle in the gold museum at Bogota—one of many exhibits which bear witness to the remarkable skill of the country's aboriginal inhabitants before the coming of the Spanish conquistadores

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هكذا من الأصل

Small farmers given strong Government support

COLOMBIA'S tropical position, combined with altitudes that range from sea level to over 5,000 metres, give the country an extraordinary variety of climates—and agricultural products. The rice, bananas and cotton of the lowland plains and valleys change to coffee, maize and oranges on slopes above 1,000 metres; higher up, potatoes, barley, apples and peaches are grown. Many crops can be sown all the year round, although in some areas the length of the dry season and occasional frosts are limitations.

In fact lack of rainfall can only too often be blamed for the vagaries of agricultural production. This year droughts have affected Tolima and the Cauca Valley—areas with good yields and a higher degree of mechanisation than the rest of the country—and cotton, maize and sorghum production have suffered. But despite the complaints of farmers, directed at God and the Government indiscriminately, agriculture has more than kept pace with population growth in recent years.

One of the greatest problems is the relatively poor performance of traditional products destined for domestic consumption, and the Government has been giving strong support to "integrated rural development programmes (DRI)" aimed at farmers with up to 20 hectares. Some 80 per cent of all landholdings fall into this category, representing only 12 per cent of the country's agricultural land but producing two thirds of the basic foodstuffs for the local market.

Since 1976 three international organisations—the Inter American Development Bank, the World Bank and the Canadian International Development Agency—have been financing DRI projects in eight provinces. Most are concentrated in Andean regions where the problems of the smallholder are most acute, but perhaps the most successful approach has been that of the Canadians in Cordoba and Sucre on the Caribbean coast. The prime aim of the DRI programme was to raise production and productivity, according to the Government—and though there have been successes in this area, a more elusive objective has been achieved: political stability.

Confrontations

Sucre has long been a region of violent confrontations between peasants and large landowners, and combative peasant organisations carried out a series of land invasions in the mid-1970s. Since the DRI project began invasions have stopped and more and more peasants are being attracted by the development packages—schools, health posts, rural roads and electricity—being handed out by the Government.

As a substitute for land reform DRI has little to offer on the surface—there is no attempt to resolve the land distribution problem. But rural standards of living have improved in many DRI areas and emigration has slowed down. In Sucre some 60 per cent of the direct beneficiaries do not own their land, so the programme is reaching groups barely touched by earlier rural policies.

For once, financial resources are not a limiting factor—$35m are available for Cordoba-Sucre, $14m of them contributed by Canada. With at least 14 Government organisations involved the major constraint is co-ordination, but the effort to rationalise public expenditure in rural areas will bear fruit in the long term.

The Government plans to extend DRI programmes to another nine provinces, taking marketing and technical assistance, credit and training to 67,000 peasant families. Many more will benefit from improved physical and social infrastructures.

Successes in increasing yields of such crops as maize, manioc, sorghum and beans are still limited to small areas, and Colombia will be importing more than 300,000 tonnes of maize, sorghum and beans during this half of the year. Food shortages and price rises are an important component of the inflation rate, and, conversely, bad management oversupplies the market at certain times, cutting back farmers' earnings and discouraging investment. As a result the area sown with wheat has been dropping, and though barley production has improved significantly over the last two years, imports are needed to supplement brewery needs. Wheat imports topped $100m last year and are increasing steadily.

Tropical commercial crops for local industry and for export absorb a large share of agricultural credit and farm investment—the two are far from synonymous because of the high proportion of credit used as working capital.

Even so, cotton growers and cattle ranchers alike complain of the lack of funds and assistance for long-term improvements such as irrigation, and accuse speculators of buying up good agricultural land in order to "wash" drug money rather than farm.

Erratic

Agricultural products comprise about three-quarters of Colombian exports—though the farm sector's contribution to Gross Domestic Product has now dropped below 25 per cent. Coffee is the main export, followed by bananas ($85m in 1979), flowers ($80m), cotton ($51m), sugar ($47m), rice ($30m) and tobacco ($25m). Beef exports have been erratic, falling from $50m in 1978 to $31m last year, and many thousands of cattle are smuggled across the border to Venezuela every year.

Foot-and-mouth and other cattle diseases, as well as the lack of freezing plants, have undermined Colombia's attempts to expand meat exports. The ranchers, who traditionally subsidised local sales with international earnings, now speak of serious losses. Prices in the industrial heart of the country are at least $100 higher per animal than on the coast, where the crisis is at its worst. In the eastern plains of Llanos so much has to be spent on elaborate security precautions to prevent rustling that there is little left over for breeding programmes or pasture improvement.

However, the Llanos already supply Bogota with meat and are commonly known as the capital's larder. Colonists are gradually moving further east towards the Amazon forest and bringing more land into production but the returns are not as good as those on the richer soil of the Andean foothills. Another pioneer area is the extreme north-west around the Gulf of Uraba, where banana plantations are flourishing. Most of Colombia's banana production now comes from this area, and exports have built up fast, though there are security problems here, too, and a hurricane recently destroyed 3,000 hectares of trees.

Despite the close attention given to agriculture by organisations involved in studying the Colombian economy, and the constant criticism of Government policies which tackle immediate issues while skating over fundamental problems, the new national plan gives the sector low priority. The Ministry of Agriculture is streamlining its national credit system and there is talk of giving land reform a fillip (without doing anything to affect confidence and agricultural investment), but most plans call for more of the same policies that have failed to pull farming out of its repetitive crises.

Sarita Kendall

Planting out seedlings of caturra coffee in Risaralda province (top); drying beans near Manizales (below)

Record coffee exports but the price dips

AFTER NEARLY a hundred and fifty years as a coffee exporter Colombia is still breaking records. Production and exports for the September 1979-October 1980 coffee year topped 12.3m and 11.5m 60-kilo bags respectively, compared with 11.6m and 11.4m of the previous year. Earnings for the first seven months of 1980 were more than $300m up on last year's record. But despite an excellent harvest the prospects are not as promising. Not only has the international coffee price fallen sharply in recent weeks: world supply conditions ensure that it is likely to stay low in the foreseeable future.

Until severe frosts destroyed a large part of Brazil's coffee in 1975, Colombia's production had remained fairly steady at 7.5m to 8m bags. In 1976/77 it jumped to 8.9m, then a year later to 10.8m, more as a result of changes in varieties and techniques than extensions to the planted area. Although traditional coffee trees still abound, grown in the shade of the bananas and often mixed in with other crops, nearly 300,000 hectares have been planted with higher yielding caturra varieties. Thus 25 per cent of the coffee area now produces about 60 per cent of the crop, and yields are four times higher in the new plantations.

For the smallest growers, who for long formed the backbone of the coffee sector, the investment needed to grow caturra coffee efficiently is crippling, and many have sold their plots and migrated to the cities.

Colombia's coffee-growing region par excellence is the astonishingly beautiful country around the towns of Manizales and Pereira, between one and two thousand metres up in the Andes. But Antioquia, Tolima and Cundinamarca are also big producers, with together over 35 per cent of the crop, and in all over 1m hectares are dedicated to coffee.

During the last ten years coffee has rarely contributed less than half the country's export earnings. Last year's exports brought in just over $2bn, or 55 per cent of the total. The U.S. has long been the main market for Colombian milds, though exports to Europe—especially West Germany—have grown the fastest in recent years. As far as processed coffee is concerned, Japan is the biggest buyer, followed by the U.S., but this industry is still relatively small.

Decrease

Coffee growers have been pressing the Government to agree to the elimination of the 16 per cent export tax and to paying a higher internal price—the current rate of 8,732.50 pesos per 125 kilo lot should be raised to at least 10,000 pesos if production is to be kept up, they say. But with the New York price below $1.30 a lb, a decrease is more likely than an increase. Private exporters have already been forced out of the market and the coffee growers federation, Federacafe, is doing all the buying and exporting.

One of the few producing countries to push for international agreements between consumers and producers at times of both high and low prices, Colombia is also one of the prime forces in the Bogota Group. Created two years ago to defend the interests of producing countries, the group has fathered an organisation called Pancafe, in which Colombia and Brazil each have 8,000 shares, Mexico, Venezuela and Guatemala 2,000 each, and Costa Rica, El Salvador and Honduras 1,000 apiece.

Pancafe has received a cold shoulder from the U.S. and some other consumers who say its members are contravening the spirit of international agreements by trying to manipulate coffee futures. If a viable new agreement on prices and quotas could be made, though, promised the producers, they would be willing to disband the group.

Federacafe's general manager, Sr. Arturo Gomez Jaramillo, is particularly concerned about falling coffee consumption and the need for producers to sell the coffee-drinking habit. In the U.S., average coffee consumption fell from 2.6 cups a day in 1976 to 1.9 a day in 1979, and this year's hot summer brought it even lower. But there is some good news, too, for West Germans now drink more coffee than beer. Inside Colombia coffee prices have also risen, but after a sharp drop in 1976 consumption has recovered. The gap between internal and external prices has been narrowed enough to discourage contraband.

Thanks largely to coffee Colombia has international exchange reserves valued at around $5bn, and the big inflow of coffee dollars has called for some careful economic management over the last five years to avoid rocketing inflation. The Government and Federacafe have worked hand in hand on economic policies, and the strengthening of the National Coffee Fund has made it possible for Federacafe to support the local price when international rates fluctuate.

Federacafe, which must be one of the most powerful producer organisations in the South American continent, helps to finance other crops in coffee-growing regions, and its provincial coffee committees contribute to local development with the construction of schools and roads as well as provision of electricity and water supplies.

Ephemeral

Though the boom of 1975-78 raised incomes in the coffee zones, it also raised local food prices well beyond those in the rest of Colombia, and the benefits of the higher coffee prices proved to be ephemeral. Some 2m Colombians depend on coffee-growing for their earnings and the introduction of the caturra variety, which was speeded up in response to the lure of high prices, is having a considerable impact on both employment and the production of other crops—apart from the direct changes in coffee growing methods.

While the traditional coffee tree is first harvested at about four months and goes on producing for more than 30 years, the caturra tree begins production at two years and must be replaced after ten. Trees are planted closer, far more fertiliser is applied and spraying to control disease is more frequent. Not only is the labour input greater: more capital is needed to finance a caturra plantation—leading to a gradual concentration of production in fewer hands.

Colombian harvests are rarely menaced by frosts. But earthquakes, hail and floods have caused extensive damage to the crop within the last two years—and the greatest menace of all is on its way to the border. Coffee rust has been found in northern Peru, and despite intensive campaigns to stop its advance through Ecuador, experts believe its arrival is inevitable. Colombian agronomists are working to produce a rust-resistant caturra tree, and hope their efforts will be successful enough to ensure that Colombia can go on breaking records.

S.K.

Pan-American highway will present daunting problems

COLOMBIA'S GEOGRAPHY is astounding. Three Andean mountain ranges slice north-south through the country, joining near the border with Ecuador to form the massive chain that stretches the rest of the continent to southern Chile. Roads connecting Bogota to the other main industrial centres, Medellin and Cali, snake downwards along precipices and across gorges to the Magdalena which is almost at sea level. Then they climb the Central Cordillera, crossing passes at over 3,000 metres, and descend to the Cauca Valley. In the eastern plains, or "Llanos," most roads are flooded for several months in the year, and elsewhere storms and landslides ravage surfaces, making repairs a permanent headache.

Hazards

The most difficult road-building task of all is only just beginning. The Pan-American highway system, which runs all through the Americas, has one major gap in it, on the frontier between Colombia and Panama—the Darien Gap, an area of deep swamps and dense jungle. Early this year Colombia's President Turbay and President Aristides Royo of Panama flew over the area and agreed that both countries would forge ahead as fast as possible. But natural hazards are not the only problem to be faced—the region is the home of guerrillas, bandits and drug traffickers, and the army engineering battalion working on the road has to be protected by counter-insurgency troops.

Finance is another stumbling block. Because of U.S. fears that completion of the highway will allow foot-and-mouth disease to spread northwards to the U.S. border, a long standing commitment to provide one-third of the construction funds has not been met. By the end of President Turbay's term in 1982, some 68 km should be ready, though the intractable 22 km stretch over the Atrato swamp will still remain.

The National Integration Plan gives, as its name suggests, a high priority to transport investment. Decentralisation, regional autonomy and the integration of the national market are among the plan's main objectives, and funds allocated to the transport sector for the 1979-82 period amount to $2.2bn.

The lion's share — 69 per cent — goes to roads, which carry more than three-quarters of the country's cargo traffic. Colombia has nearly 11,000 km of trunk roads, a meagre allowance for a country measuring over 1m sq km, and about half are surfaced. Steep climbs and narrow sharp bends restrict the size of vehicles, and only relatively low tonnage trucks can be used.

The programme up to 1982 calls for the construction of 550 km of new roads, paving and repaving of 1,721 km and the upgrading of another 1,350 km. In addition, 2,000 km of secondary roads in rural areas are being built to provide access to isolated communities.

A petrol tax of 20 per cent goes to the National Road Fund; funds from the national budget and the Inter-American Development Bank and the World Bank also contribute to road construction. The Government is considering the imposition of toll charges on a number of roads in order to finance improvements.

Links between Colombia's most important cities are to be strengthened, and a long-promised highway between Bogotá and Medellin is being pushed through at speed. Operations have started on a $13m 1.3 km bridge over the Magdelena River, while construction gangs are at work on sections near Medellin. Although Bogotá is a less dominant capital than many, the Medellin, Cali and Bogotá regions contribute nearly half the country's Gross National Product and two-thirds of industrial production. The only other important industrial area, around the ports of Barranquilla and Cartagena on the Caribbean coast, is well placed for international trade and relatively isolated from the heart of Colombia.

Dredged

A 1,000 km railway connects the coast with the capital, but although it is used for both goods shipments and passenger services, trains on the poorly maintained narrow gauge line take 24 hours for the journey. However, coastal communications will be much improved once the 973 km road between Bucaramanga and Santa Marta is completed and links up with the trans-Caribbean highway. Key channels along the Magdalena are also to be dredged, providing more reliable, year-round inland access for river traffic.

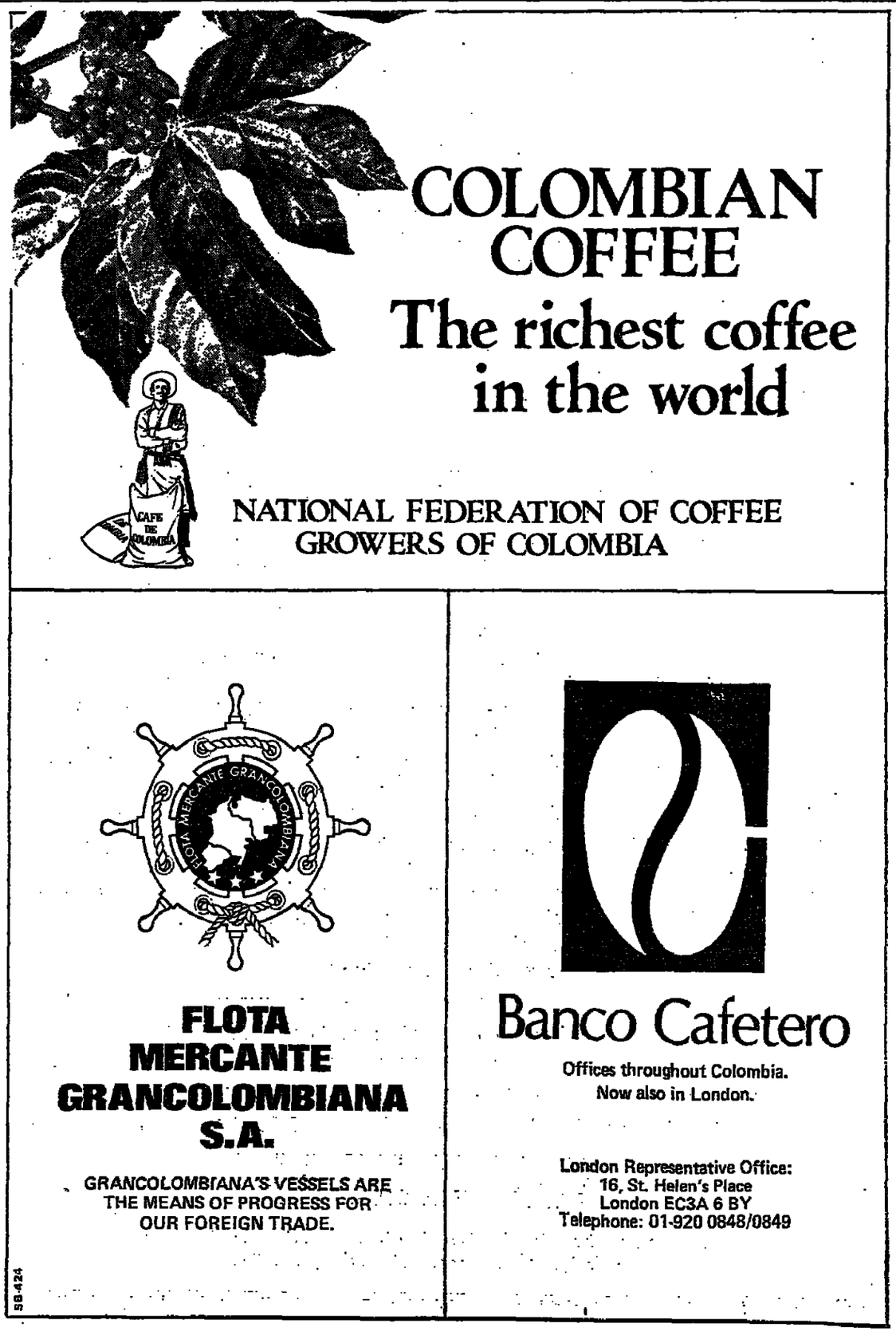
During the 1970s the proportion of goods travelling by rail dropped from 9 per cent to 5 per cent, and short stretches of line fell out of use. Now, nearly 3,000 km of track is in operation, but only about half of the State-run railway company's rolling stock is available. A major rehabilitation programme is to restore track, engines, and goods wagons for use, while studies for a line across the Central Cordillera, involving a very long tunnel, are under way. A new route from Bogotá down to the Magdalena valley is also planned, and yet another line will serve the giant northern coal deposits of El Cerrejón, providing an outlet to a special port 150 km away at Portete.

Air travel has grown rapidly in a country so dissected by high mountains. Seventeen regional airports take jet aircraft and there are a further 640 local and private strips. Colombia's international airports are notorious for the black stars they receive from international pilots' organisations, and three — Bogotá, Medellin and Barranquilla — are being rebuilt or upgraded. Avianca provides a wide range of national and internal services while Aerocondor, the country's second airline, is now bankrupt and its ex-president is being accused of "mishandling" nearly $500,000m. The Ministry of Defence runs Satena, which serves distant, sparsely populated areas such as the Llanos, and several other companies fly local routes.

Public transport in urban areas is provided almost entirely by bus companies, the majority of them privately owned. Bogatá's buses are heavily subsidised, and though a metro route is now being studied, the investment needed—one estimate is $1bn for a 30km line—would not be recoverable. To try to reduce congestion at key cross-roads in the capital, 13 flyovers are being constructed, while some routeways are restricted to buses only. A municipal purchase of 200 trolley buses should also reduce overcrowding on public transport.

With most funds destined for improvements to the road network, and car ownership rising rapidly, the Government's attempt to limit fuel imports hardly stands a chance. Despite paying lip service to the importance of modes which use less oil fuel, the national plan only allocates 14 per cent of transport investment to water and rail projects. However, road and air services are perhaps better suited to a large country with a widely scattered population, rapidly changing settlement frontiers and formidable natural barriers.

S.K.



PROFILE: ERNESTO SAMPER

A dedicated enemy of corruption

ERNESTO SAMPER has the reputation of an enfant terrible among Colombian businessmen. At 30, he has been president of the National Association of Financial Institutions for five years, and, by speaking out forcefully on social and political—as well as economic—issues, he has trodden on many establishment toes.

Both lawyer and economist, Senor Samper is especially concerned about the effects of inflation in Colombia: "There is a tendency towards increased concentration of income, rather than distribution. The Government's national plan is inflationary and it will be the middle and low income groups who pay for it—capital avoids taxes only too easily. While salaried employees declare 73 pesos out of each 100 earned, those who live off capital declare only 20."

Referring to professionals and technicians as a "Cinderella middle class," because they are losing so much of their income to inflation and taxes, Senor Samper says that 37 per cent of this group earned under US$200 a month in 1979, and that unemployment among qualified technicians is twice the national average.

But most of his energy is currently directed at a more provocative target—marijuana. Two years ago the association began a series of studies on the impact of the marijuana trade in Colombia: "Everyone was talking about marijuana, and all sorts of figures were being quoted, so we decided to do some serious research in the main growing area, the Sierra Nevada de Santa Marta, following up with studies in the U.S." Senor Samper calculates that *Colombia's marijuana exports* for this year will be worth 10 per cent more than coffee sales—about US$2.5bn

Corruption

"Probably the worst effect of the marijuana trade is the corruption it generates—then there are also very serious economic and political effects too, and the harm done to Colombia's image. And the exchange of arms for marijuana is another problem — there's hardly an unarmed peasant in the whole Sierra Nevada."

Ernesto Samper—treading on establishment toes

Last year the association held a seminar on the pros and cons of legalising marijuana, and a surprisingly strong contingent, including the president of *Bogota's stock exchange, an ex-*head of the security police and several congressmen, turned out to be in favour.

The association is putting up a congressional project which, if it goes through, will decriminalise marijuana and permit Colombia's expensive drug repression apparatus to be cut back. The project would allow growers to produce up to five hectares of marijuana, with the state buying the crop at a price equal to Colombia's best paying legal crop.

Senor Samper says that the next stage—complete legislation of the international trade—will depend on events in the U.S., but he believes this first project has a good chance and will open up a much broader debate on the *alternatives for dealing with the* problem.

A completely different venture is also about to get off the ground: Senor Samper is starting a magazine "which will concentrate on international themes. We're very parochial in Colombia, and we need to think about things beyond our own boundaries, and make comparisons." And in the longer term? It would be no surprise to see Senor Samper on the Liberal Party congressional benches.

S.K.

PROFILE: GABRIEL GARCIA MARQUEZ

Gabo's gadfly wit keeps the press buzzing

THE WRITER who has given greatest world prominence to Colombian literature is better known to many Colombians not as a novelist but as an aggressive gadfly journalist. "One Hundred Years of Solitude," "No-one Writes to the Colonel" and "The Autumn of the Patriarch" have put the name of Gabriel Garcia Marquez on best seller lists everywhere

But "Gabo" started his career as a newspaper reporter and has made his biggest impact within Colombia over the last few years with articles in a Leftist magazine he founded in 1974, "Alternativa."

One edition last year with a virulent open letter to the President on torture allegations, carried a cover with the single sentence: "I don't believe a word you say, Mr. Turbay — Gabriel Garcia Marquez." Perhaps only his artistic status allowed him to get away with such bare-faced lese-majeste, but his caustic example has stimulated a whole school of critically witty investigative reporting.

Despite Gabo's repeated injections of capital, Alternativa collapsed in the middle of the year. Its legacy includes the conversion of Macondo into a powerful symbol, even for those Colombians who have never read his books. Macondo is the town of "One Hundreds Years of Solitude." Colombian character, history and legend distilled into a dream-world, based on his birth - place, Aracataca on the tropical Caribbean coast.

The regular "What's New in Macondo" column in the magazine treated contemporary events with satire, turning "Macondo" into the cult code word for all official incompetence, brutality and absurdity.

"Politics and literature are two ways of getting close to reality," said Gabo in one interview. "Literature journalism and politics are complementary."

Despite his appearances at such international left-wing events as human rights tribunals and revolutionary congresses, highly sympathetic reporting on the Nicaraguan revolution and bombastic threats to write no more novels while General Pinochet rules in Chile, he can be just as explosive on Soviet or Cuban human rights violations.

Nomadism

His present life-style of affluent nomadism between Central America and Europe seems to have done nothing to damage his reputation with the Colombian Left, while the Establishment is eager for his every word. The latest outlet for Gabo is a regular Sunday column in the Liberal El Espectador, the paper for which he first started writing in 1954.

But publication of his eagerly awaited first column in September proved a new surprise. Instead of the expected bombshell of surrealism or criticism, *it turned out to be an intimate* essay on novelists and the Nobel Prize, elegantly sketched anecdotes of European literary life. On the same page the leader of a Liberal Party progressive wing wrote a note to welcome Gabo back to the paper, describing him as bringing more world glory to the country than any other Colombian, and as a possible "protagonist in a solution to the chaos of national political difficulties. . . . It would be preferable not to appeal to magic, but sometimes there is nothing *else to do.*"

S.K.

PROFILE: GARCIA PARRA

Putting on the squeeze

"JAIME GARCIA PARRA, Public Enemy Number One of the Colombian People." The poster is still occasionally to be seen on the walls of downtown Bogota, a torn and fading reminder of the time a few months ago when some of the staff of the Ministry of Finance and Public Credit went on strike against what they saw as the tightfistedness of their Minister.

But Dr. Garcia Parra has survived worse abuse. Indeed at 48 he could hardly have hoped to get any nearer the top of Colombian politics than he is at at the moment. As the financial brain of the Turbay Government he has presided over his Ministry at a time when the foreign reserves of the country have boomed and when foreign investors have never been mere eager to put money into the country.

He has also had to suffer the abuse not only of striking civil servants but also of many industrialists and bankers as he fought to bring down inflation from the dangerously high levels of recent years. He is confident that the squeeze on the economy is working and forecast—against the declared opinion of many people, from analysts at the U.S. embassy to bank managers—that inflation this year will be held at under 25 per cent.

Born in the provincial city of Bucaramanga in 1931, he took his first degrees in law and economy in Bogota, going on to Syracuse University in the U.S. and lastly taking a master's in social science at the London School of Economics.

He opted to join the Conservative Party, one of the two traditional political groupings in Colombia.

After jobs representing Colombia at the International Coffee Council in London, at the New Delhi UNCTAD and at the Food and Agriculture Organisation, he got his first ministerial jobs under the hallowed system through which Conservatives and Liberals share office.

After a short period at the Communications Ministry he took over the portfolio of Mines and Energy, where he had to grapple with the problems of starting to bring the ridiculously low petrol prices gradually up towards world levels while trying to make the chronically ailing State oil company Ecopetrol more viable, and of setting work going on one of the largest coal deposits in the world, El Cerrejon. In 1976 he signed a contract with Exxon which regulates the U.S. multinational's participation in this $3bn project.

He says that after years of ministerial life he wants to do nothing more than retire to his farm. Few people of course believe that that is where he will end up, for the Conservative Party is not so overflowing in talent and experience that it can afford to overlook Garcia Parra when eventually it comes to take stock of its Presidential candidates for the next term or the one after.

H.O'S.

Oyster fishermen at Tasajeras, on the northern coast

Popayan: a serene contrast to the capital

THE GOVERNMENT of Colombia should make it compulsory for every foreign businessman who has the misfortune to have to spend more than a week in Bogota, the capital, to take a day off in Popayan. They could even subsidise the trip.

The capital is a violent and brusque city. Muggings, robberies, shoot-outs and thefts are a way of life in Bogota and much of the rapidly growing city is in a lamentable physical condition. Visitors, foreign and local, are advised by friends in Bogota not to wear expensive watches in the street lest they be whipped off their wrist; handbags and briefcases should be held tightly whenever one is outside.

No respectable shop or office is without its armed guard. The effect on the visitor is lamentable and foreigners who visit only Bogota must go away with the worst possible impression of Colombia.

Thus the need for the compulsory visit to Popayan. This is a quiet and distinguished colonial city set 5,000 feet up at the top of the valley of the River Cauca. It is all that Bogota is not and is the perfect antidote for those who are tempted to think that the Colombian population is made up of equal parts of muggers, *thieves, robbers and security* guards.

The city is one of the oldest in Colombia. Founded in 1537 by Sebastian de Belalcazar, one of the first of the Spanish conquistadors to colonise the country, it grew rapidly as a trading centre for gold and silver, the precious metals that the Spaniards were keen to send back to their king. Such was the supply of precious metals that the city for a long time supported its own mint which turned out coin of the realm for the Spanish monarchy.

Early on it became a religious centre too, the seat of first a bishop, and later and to this day the seat of an archbishop. The wealth of the city overflowed into the churches and went to support hundreds of priests and nuns.

Today the mint has gone and coin is no longer struck, but the riches of the church remain in the architecture of half-a-dozen great churches and in the gold, silver and other treasures that the archbishop has collected together in the Museum of Religious Art.

On the altars of the churches and in the Museum of Religious Art are an infinity of pictures and statues, monstrances, crucifixes, tabernacles and censers in precious metals.

In its long history in Popayan the church received two shocks—one physical, the other political. In 1700 a great earthquake razed most of the city, including its religious buildings. As a result many of them date from no earlier than the eighteenth century but are none the less elegant for that. In the middle of the nineteenth century one of the city's most famous sons, General Cipriano Mosquera, the President, decided to expel the religious orders and as a result many convents and monasteries fell into disuse.

Monastery

One was the Franciscan friary behind the great church of San Francisco. For years, the former monastery was used as barracks and then as a court house before being converted a quarter of a century ago into a very comfortable and friendly hotel, the Hotel Monasterio, which can safely be recommended to any visitor.

The house of the Mosquera family is open to the public as a museum in the care of the University of Cauca, the city's principal place of learning. In the Casa Mosquera are the flamboyant gold encrusted relics of the old general himself and those of his brother who became Archbishop of Bogota and who preferred exile in France to life under the irreligious rule of his sibling.

The Casa Mosquera is only one of a number of great houses still the homes of the richer families of the city, many of which include patios full of flowers, shrubs and trees. The Valencias are one of the leading families of Popayan who have among them given 14 Presidents to Colombia; their house is open to view.

Popayan today is not, it must be said, the power in the land that it was when its mint was turning out coin for the Spanish Empire. Nowadays its riches are to be found in the excellent coffee that grows on its outskirts.

A few years ago high coffee prices bought new wealth to Popayan but this year growers are complaining that the cost of labour and materials combined with falling prices are squeezing them to death. They add that it is only the bigger growers who are going to survive by buying up and merging the small plantations which have been a characteristic of coffee production in the Department of Cauca.

Some shadow of the past riches of the city are to be seen today as the black peasants of the surrounding countryside come in daily to the State-owned Banco de la Republica with their tiny packets of alluvial gold.

At the bank, the manager, Srta. Luz Maria Alvarez, and her staff carefully assay and weigh the gold dust, which is brought in in lots of less than ten grammes. The peasants' gold is the outward sign of the gold rush which has seized Colombo this year and which should yield the bank $400m of the metal this year. Though Popayan will provide only a fraction of that, production is rising rapidly.

In the first fortnight of last month Srta. Luz bought in a total of four kilos, about the same as she purchased during the whole of August. "If it gets any busier I'll have to take on more staff. Three months ago I took on a girl who does nothing but buy gold but she's being overworked."

The normally quiet city becomes animated once a year, in Holy Week, when the streets are alive with processions and pageants similar to those held in Spain's Seville. At the same time the conservatory stages a music festival with up to three concerts a day by local musicians and visitors from Europe and the rest of America.

Srta. Luz, very proud of her city, tells of the Austrian couple who, after living for several years in Popayan, went travelling back to Europe. "They stayed in a number of cities there but they decided after all that life wasn't better anywhere else than in Popayan."

S.K.

Guerrilla groups battle on

A U.S. Army colonel once said that if Colombia's guerrilla movements sank their differences and fought together they would provide a real problem for the Government. But attempts to join forces have ended in failure and, separated by mountains and jungles, the guerrilla groups continue to *split along political seams.*

After the end of the "Violence," a bloody civil war which racked Colombia from 1946 to 1964, a great many peasants buried their guns and went back to farming. Others continued to roam the countryside, fighting for survival rather than any political convictions though they might carry a party label. Some who escaped the bombings of the rebel-administered "independent republics" ignored armistice offers and formed rural guerrilla columns that continue to harass the authorities today.

In the last five years urban guerrilla organisations have been operating in most cities and both their actions and the resulting counter-guerrilla campaigns have had as much an impact on urban residents as have the massive counter-insurgency operations on peasants in rural areas. Kidnaps, bank robberies, weapons seizures, sabotage and publicity stunts by guerrilla groups are common occurrences, as are the subsequent searches, imprisonments and tough security measures.

A *guerrilla amnesty* is currently being discussed in Colombia's Congress on Government initiative. At the same time the army has had a spate of successes in capturing leading city militants as well as guerrilla base camps in the countryside. The Minister of Defence said recently that 50 soldiers and police and 167 civilians had been killed by rebels since the beginning of last year and that 89 guerrilla fighters had died in combat. He put the total number of guerrillas at over 1,800 not counting urban support networks, but said that this must be a rough estimate.

The *biggest group, known as* the Revolutionary Armed Forces of Colombia—FARC—grew out of the independent republics and is thought to operate on eight widely scattered rural fronts, ranging from the extreme north-west to the eastern Llanos. Led by the legendary "Tirofijo" the FARC is a pro-Soviet movement assumed to have links with the local Communist Party, and has frequently taken over small isolated towns in order to obtain supplies, carry out armed propaganda and challenge the authorities.

Bombings

Colonists from the FARC-dominated wild El Pato area south of Bogota marched to Neiva early last month and accused the army of indiscriminate bombing. The Government has refused to interfere with counter-insurgency operations, while the Ninth Brigade's commander has called El Pato a region where "There has been no official Government presence for 14 years."

The Nineteenth of April Movement M-19 announced its birth with a publicity stunt—the robbery of national liberator Simon Bolivar's Sword, Spurs and Epaulettes. An urban group describing itself as nationalist and Socialist but often betraying a mish-mash of ideologies. M-19 has carried out spectacular actions, some of them with a distinct Robin Hood touch. Considerably weakened during 1979 by many arrests, M-19 nevertheless showed it was far from moribund by dramatically taking 14 ambassadors hostage early this year in the Dominican Embassy in Bogota.

Once the most active of Colombia's guerrilla organisations, the Castro-ite National Liberation Army, ELN, now *appears to be relatively small.* Camilo Torres, a charismatic radical priest, joined the ELN in 1965 and was killed soon after, becoming one of the Left's most revered martyrs. Operating in the mountains of north Santander the ELN was responsible for the kidnap from a farm of Britain's Mrs. Teleri Jones and her son Owain.

Though they are a considerable nuisance to the authorities, private enterprise and normal everyday living, the remaining organisations seem to have a much smaller following. The Maoist Popular Liberation Army EPL is based in rural Antioquia, while an urban EPL *group which split from the main* organisation has carried out assassinations, bombings and bank raids in cities. The Workers' Self-defence Movement MAO is best known for its killing of ex-Interior Minister Rafael Pardo Huelvas.

S.K.

On December 17 the Presidents of the Andean Pact countries meet in Santa Marta, Columbia. To coincide with this important occasion, the Financial Times will publish a major survey on:

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DECEMBER 17th

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3. **Central Bank Co-operation:** The range and importance of the financial relations between *the governments of the region.*
4. **Decision 24:** The origins and rationale of a controversial limitation on foreign investment. The different viewpoints of government and foreign investor.
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A rethink about rates

BY SIR HORACE CUTLER, LEADER OF THE GLC

ROBIN PAULEY'S assessment (Financial Times, September 15) of Prof. Foster's recent thesis on rates is helpful and informative but it does not take us far along the *road to finding* a better substitute.

Neither, to be fair, have successive governments. Admittedly, the problem is a difficult one and it may be that in the end we will all have to concede that it is impossible to remedy the defects in the system without creating worse ones; on the other hand, a little radical thought would not come amiss.

Rates is an emotive subject. It is also an imprecise one. Information is hard to come by and is usually out of date when you get it. Furthermore, the concept of the average — *the* average rate-bill, the average rate-payer and so on—is forced upon every discussion of rates and, as ever, the average can disguise the greatest inequalities.

However, certain facts are just about beyond dispute:

☐ First, an ever-increasing proportion of local authority expenditure has been bespoken, and to a lesser extent met, by *Central Government. This is* manifested in some unusual ways, not the least of which is the transfer of formerly local authority services to central government agencies.

☐ *Secondly, notwithstanding this* change the burden of rates is heavier than ever before. It may be true that much of this pressure is psychological rather than financial, but it exists none *the less.*

☐ Third, the distribution of the rate burden as between classes of ratepayer is now subject to distortion, and the distribution of Government aid between authorities leads to further anomalies.

☐ Fourth, there is a growing feeling of resentment on the part of that proportion of the population which pays domestic rates against that proportion which does not.

I am wary of quoting figures, especially when they are estimates, but the current year's London rate figures are illuminative.

Net of income from rents, charges and so on—the proper level of which is a subject for another day—this year's spending by London local authorities and the police amounts to about £4.4bn. Of this about £2.4bn is met through Government grants and subsidies, leaving £2bn to fall on the ratepayers.

London has a large concentration of commerce and industry and the result is that the rates paid by the domestic sector total only about £700m, leaving £1.3bn to be collected from the non-domestic sector.

The significance of the sums is two-fold. From a starting point of £4.4bn, which equates to the "*social cost*" (i.e., excluding charges levied for services) only £700m, 16 per cent, is paid directly by individual Londoners.

The second point is that this bill of £700m is paid by only 2.6m domestic ratepayers, while there are almost exactly twice that number of people in London entitled to vote. This incidentally, is why "free fares" on London Transport is a con!

This country prides itself on its democratic local government; indeed, the autonomy of local government is (rightly) one of the *sticking points* of the local authority associations against the mechanics of present Government policy although not, on my side at least, against the policy *per se*.

What sort of really independent and democratic system is it, though, when the analysis of who pays what out of the "social cost" is:

- 55 per cent—Central Govern*ment, wanting an ever-increas*ing say;
- 29 per cent—Non-domestic ratepayers with no votes;
- 16 per cent—Domestic ratepayers with votes;
- *Nil—Electors equal in* number to domestic ratepayers?

It goes without saying that both general taxation and non-domestic rates are met ultimately by the population at large and a respectable case can be made for the assertion that their contribution is related to either their income or their spending, thus rendering the system as "fair" as it may be.

That is not really the point, though. The real point is that if "local" is actually to mean "local" (as opposed to "locally-administered") then the "local" element in revenue raising must become a much more significant proportion of the total; furthermore, a way must be found to ensure that local taxes on individuals are fair.

Anyone who at this stage is expecting a blinding flash of revelation is going to be disappointed. I have thought through all the alternative local taxation methods so far suggested and I have had years to digest such awesome authorities in the matter as the Layfield Report. There is something to be said for each of them, just as each has its drawbacks—not the least of which is that no central government ever really likes to loosen the purse-strings and let other bodies compete *for the proceeds of taxes.*

My conclusion is that no single alternative could work well enough alone; and that combining two or more alternatives is undesirable in principle and *difficult in practice.*

On the face of it that conclusion should have rendered this piece academic: after all, if there is nothing better why not stick with the *status quo?* The answer is that all I have ruled out so far is what *has* been considered; something somewhat more radical, and at this stage necessarily very generalised remains.

Wrong problem

A common failing of government is to produce the wrong "solutions" because the wrong problem has been studied. In this context what is wrong is not the local taxation element within public finance, but public finance itself, and as long as the entire national systems for taxation and benefits remain unreformed it is pointless even to consider rates.

I believe that all sections of our society will agree that our common objective is to ensure that the citizenry benefits from a minimum standard of living (we can and do differ, perhaps, on where the level is set) whether provided in the form of cash income or public services—or, preferably, by the individual's acceptance of available opportunities.

That objective holds regardless of how an individual has reached an "unfavourable" position—whether a man is unem*ployed, sick, retired from work* or even simply feckless, always recognising that some will, and will want to, slip through the net.

Since we have what amounts to a breadline there seems very little point in maintaining more than one mechanism for ensuring that it applies. Why the rigmarole of National Insurance (income tax in disguise), income tax and so on on the one side, and pensions, social security, unemployment benefit and the like on the other? Why not just one hand to take it away and one to give it out?

In these days of computers a unified tax and benefit system should prove no great problem and, cynical though experience makes me, it also ought to enable savings to be made while offering a better and more comprehensive service.

One other change is essential, though. A great deal is made of the poverty trap where, on the margins of benefit levels, increases in personal income are cancelled out or made worse by benefit reductions. The only way round this which I can see —and something which is essential anyway for the smooth operation of an integrated system—is negative income tax.

This in itself is an enormous subject and outside my present scope. However, it is relevant to rates, with which I started. Once there is a national system of taxation and benefits it is easy to fit a local system into it —without, incidentally, going overboard on central control.

Two elements need to be *built in.*

One is local authority charges. Some are made now—housing rents, sports fees and a host of minor ones; others could well be made: for refuse collection, for example.

My thinking is that where it is feasible and economic to make a charge it should be made to the user and, if appropriate, provision should be made within the national tax/benefits scheme to offset all or part of the cost against a national tax liability (or increase benefits, if it happens to be that way round). This, in effect, is the present taxation treatment of expenses and rates for businesses.

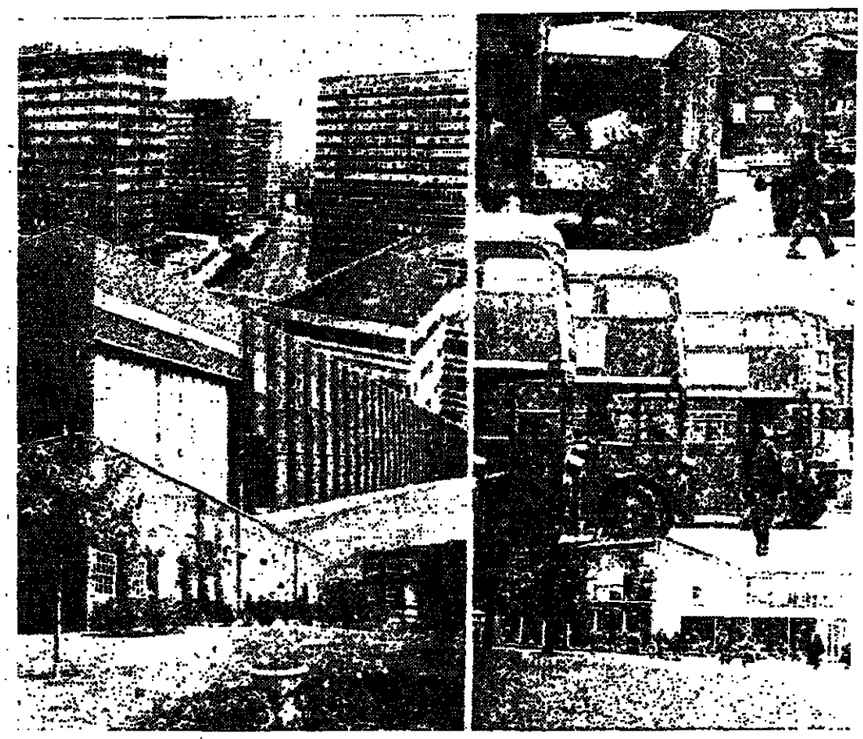
Where individual bills are not feasible and economic—or are socially undesirable—the costs should be dumped together and charged out to the resident population, whether economically active or not, as a poll-tax. The net cost to the individual under this system is determined solely by his own circumstances and the degree to which the Government is prepared to meet local expenditure by allowing set-offs against tax or benefit levels to rise.

There is actually scope for sweeping reform within this system. For example, the tax treatment of owner-occupiers and council tenants can be put more or less on a level footing by charging cost-rents and making suitable allowances against tax: no more arguments about who gets the best deal.

Then again, you could make charges for education—with, in effect, the greatest net contribution coming from those able to pay.

The plus points of the system are that it enables central government to set and stick to its financial contributions (it merely has to decide on one percentage rate); it leaves local authorities in the position of deciding their own expenditure levels; it provides a certain method of revenue-raising; it bears equally, according to means, on the entire population; and, most important, it gives political power locally to those who pay the piper. Both domestic and non-domestic rates disappear, which is an improvement on official Conservative party policy!

Is it a pipedream? I think not. It is certainly not as simple as I have described it, but I am convinced that the major changes—an integrated system and negative income-tax—are necessary anyway, and it needs only a little imagination to build in the rest. I hope it appears on a party conference agenda soon.



Rateable properties (left): offices, factories and houses. Where some local authority spending goes (right): rubbish collection, transport subsidies and schools.

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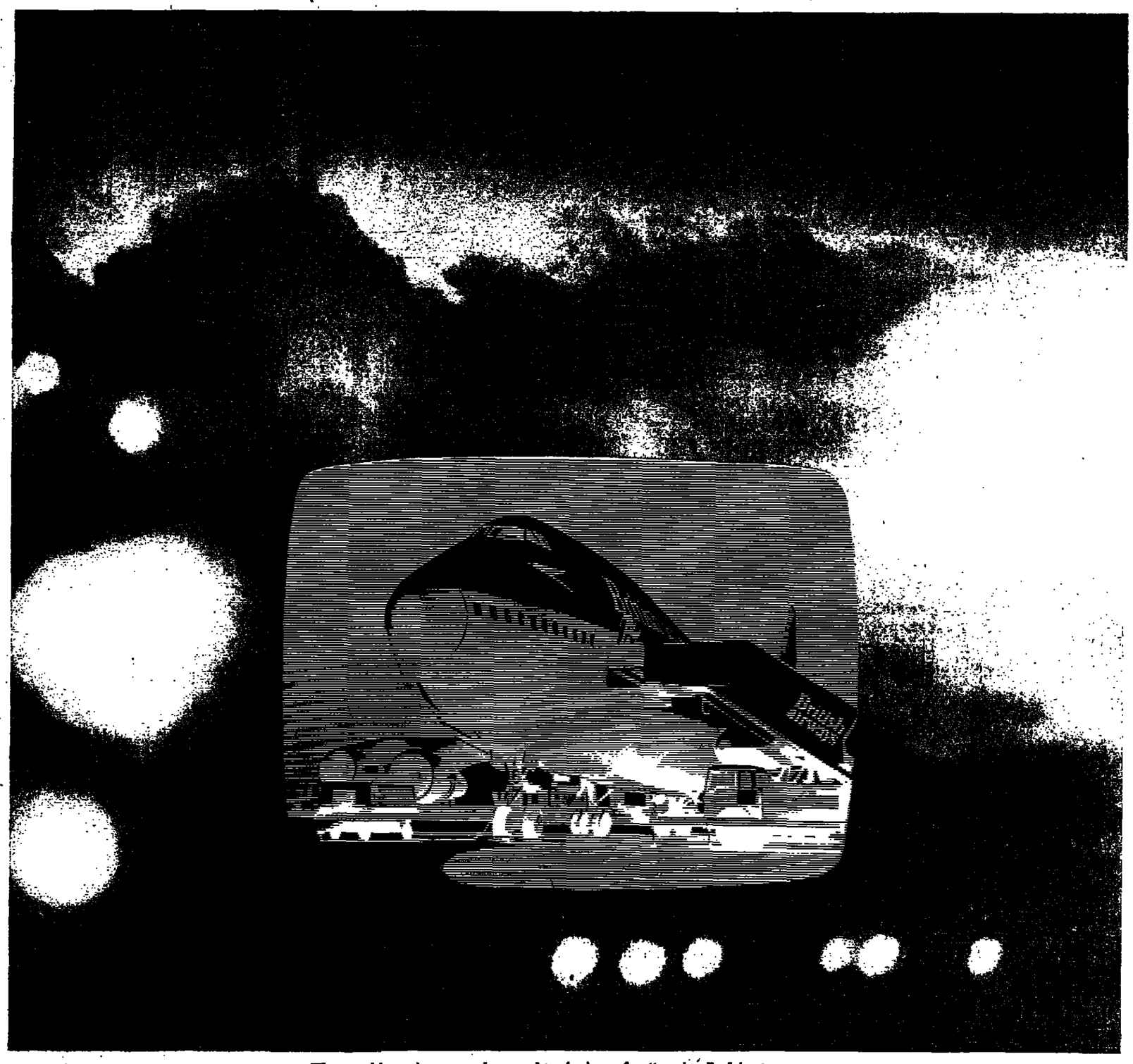

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36⅞	25	ARA	33⅞
87½	37½	ASA	85
36¼	17	AVX Corp	34⅞
55	34½	Abbotts Labs	53
33⅞	19	Acme Cleve	28½
54¾	29⅞	Adobe Oil & Gas	54¼
39⅞	30	Aetna Life & Gas	39⅛
24⅛	15	Ahmanson (H.F.)	21⅛
55½	32⅝	Air Prod & Chem	53⅜
16¾	8¾	Akzona	10⅜
36⅜	23½	Albany Int'l	31¾
16	7⅝	Alberto-Culv	15½
24½	16⅛	Albertson's	21¾
38½	23	Alcan Aluminium	36¼
35	25⅝	Alco Standard	33
37⅞	23½	Alleghény Ludm	34⅜
60⅛	42¼	Allied Chemical	55
35	19⅛	Allied Stores	22¾
34	23	Allis-Chalmers	30¾
18	12	Alpha Portd	16⅛
75¾	53	Alcoa	71⅛
55⅞	23¼	Amal. Sugar	55⅞
58½	40⅛	Amax	49½
36⅝	20½	Amerada Hess	36⅝
11¼	6¾	Am. Airlines	8¼
87¾	59	Am. Brands	81⅛
38	26¼	Am. Broadcastg	33⅝
36¼	27⅛	Am. Can	35
37⅛	23⅛	Am. Cyanamid	27½
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10½	5⅞	Braniff Intl	6
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50½	30¾	Bristol-Myers	46¾
39¾	28⅞	BP	39¾
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33¼	17⅜	Brown	32¾
53⅝	34⅜	Brown Forman B	51¾
35¾	21⅞	Brown Grp	34⅛
34½	20⅛	Brown & Sharp	30¼
26½	13⅛	Browng-Ferris	24⅝
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25	15⅝	Bucyrus-Erie	25
23¼	15	Burlington Ind	20⅛
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44	25¼	Burndy	45
86	61⅜	Burroughs	62½
53½	34¼	CBI Inds	50½
55	45½	CBS	51⅛
74⅞	55⅛	CPC Intl	70¾
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54¾	27	Cincinnati Mil	51⅜
24½	17½	Citicorp	20½
46¾	27¾	Cities Service	44
29	14¾	City Investg	27⅛
39¾	29⅜	Clark Equipment	35½
37⅞	26	Cleve Cliffs Iron	30¾
11⅛	8	Clorox	10½
11⅛	6⅞	Cluett Peaby	9⅞
38	28⅜	Coca Cola	33⅛
7⅛	4	Coca Btl. NY	6½
17⅝	11⅜	Colgate Palm	16⅜
9⅛	6¼	Collins Aikman	9⅛
55⅛	35½	Colt Inds	47¼

1980 High	Low	Stock	Oct. 3
46	35	Columbia Gas	36
37	27	Columbia Pict	34⅛
20¾	18⅛	Combined Int	19⅛
90¾	47¾	Combustn. Eng	90¾
13¼	6¾	Combustn.Equip	8¼
22⅞	17½	Cmwlth Edison	19¼
45⅝	30¾	Comm. Satellite	43⅞
3⅞	1½	CIG	2⅛
29½	16⅝	Comp. Science	27⅛
43¼	31¼	Cone Mills	40
50½	29⅝	Conn Gen Ins	47⅜
60⅜	41⅜	Conoco	60⅜
24⅛	14⅛	Conrac	18⅞
26⅛	20	Cons Edison	24
27	20	Cons Foods	24
29⅝	15⅛	Cons Freight	26
48⅛	37¾	Cons Nat Gas	44⅞
21⅛	15⅝	ConsumerPower	18
11	6¾	Contl Air Lines	7⅝
30⅛	22	Contl Corp	27⅞
32⅝	25⅝	Contl Group	31⅛
31⅛	21⅜	Contl Illinois	28½
16⅛	12⅜	Contl Telep	14⅝
75⅞	44⅜	Control Data	70
51	29⅝	Cooper Inds	47¼
19¼	9½	Coors Adolph	19¼
25¼	18¼	Copeland	23
22¼	16¼	Copperweld	19⅜
71⅞	45⅝	Corning Glass	69⅛
29¼	20	Corroon Black	27
61	30	Cox Broadcast'g	55¼
44	31½	Crane	37
37	24⅜	Crocker Nat	34⅞
31	23	Crown Cork	27¾
63⅝	33¾	Crown Zell	52⅞
36⅝	23	Cummins Eng	31⅛
50	15¾	Curtiss-Wright	27¾
11	3⅞	Damon	11
26⅝	16⅞	Dana	23⅛
47¾	35¼	Dart Inds	45¼
86¾	53½	Data Gen	75⅜
53	37	Dayton-Hudson	49
41⅝	28⅝	Deere	41⅛
51	31½	Delta Air	45⅞
21⅛	11⅞	Den'nys	18
20½	12½	Dentsply Intl	19¼
13½	11	Detroit Edison	11¾
50	28½	Diamond Intl	36¼
36¼	25½	Diamond Shamk	34⅜
14⅜	7⅜	DiGiorgio	9⅜
94¾	58⅞	Digital Equip	92¾
17⅞	8½	Dillingham	16¼
19	14⅛	Dillon	15⅝
53¼	41⅛	Disney (Walt)	47¾
131	50¾	Dome Mines	119¾
38¼	23¾	Donnelley (RR)	36¼
52¼	30¾	Dover Corp	51
38¾	29	Dow Chemical	33⅞
57¼	35⅜	Dow Jones	53½
79⅜	39⅛	Dresser	78
15½	9⅞	Dr. Pepper	13½
19⅛	14¼	Duke Power	17⅝
58½	35⅛	Dun & Brad	55⅛
49½	32⅞	Du Pont	45
55¼	35	E G & G	43½
18⅞	13⅝	Easco	17
11⅛	6⅛	Eastern Airlines	8
26½	16⅝	Eastern Gas & F	26½
70¾	43⅜	Eastman Kodak	67⅜
34¼	20¼	Eaton	32¼
18⅝	11¼	Echlin Mfg	14¾
35¼	19¼	Eckerd Jack	32
37¼	18¾	Electronic Data	34¼
8⅜	5⅜	Elect. Memories	7
30½	16¼	El Paso	23⅝
40¾	29⅞	Emerson Elect	37
18⅛	12½	Emery Air Fgt	16¾
35⅝	23¼	Emhart	33½
60⅝	24½	Englehard MC	55⅜
44	25⅜	Enserch	43⅛
14⅜	6⅞	Envirotech	13½
62	25	Esmark	56½
34½	22⅝	Ethyl	33⅝
25⅝	16⅛	Evans Prods	22⅛
45⅛	26⅝	Ex Cell O	40⅛
73⅝	52⅝	Exxon	73
30⅞	21¾	FMC	26¾
15¼	9⅞	Faberge	15⅛
5½	3	Fedders	5
49¾	26	Federal Co	48¼
21¾	12½	Federal-Mogul	20½
17¼	11⅞	Fed. Nat. Mort	14¼
34⅝	23⅛	Fed. Paper Brd	27⅝
10⅝	5⅛	Fed. Resources	8½
36	21⅝	Fed. Dep. Stores	31⅝
29½	22¾	Fieldcrest Ml	27
9⅜	6¼	Firestone	8⅜
39½	32¾	1st Bank System	36¾
20¾	10⅞	1st Charter Fin	17½
16½	11½	1st Chicago	15½
47½	32½	1stCity BankTex	45¾
47	32¾	1st Inl Banc	45⅜
53	21¾	1st Mississippi	55
34⅞	24⅞	1st Nat. Boston	33½
9	4⅛	1st Pe nn	5⅞
6¾	4⅛	Fisons	4½
9⅝	5⅛	Fleetwood Ent	9
24⅝	14⅛	Flexi-Van	24⅝
28⅛	21⅜	Florida Pwr & L	26½
35¾	22¼	Ford Motor	27⅝
31¼	20⅝	Foremost Mck	28⅛
48	23⅝	Foster Wheeler	48
54¾	30¾	Foxboro	50⅝
15⅝	6¼	Franklin Mint	15⅝
73¼	32⅜	Freeport Minl	64¼
30⅞	23⅜	Fruehauf	27
14	8⅛	GAF	12⅞
40¼	24⅝	GATX	38
44⅛	20⅛	GK Technologies	43⅞
57⅞	39	Gannett	57½
43⅛	22⅝	Geico	37⅞
20⅝	11¼	Gen Am Invest	18½
24⅞	16	Gen Cinema	24⅞
84¾	58⅞	Gen Dynamics	68⅝
57⅞	44¾	Gen Electric	53¾
5¼	3½	Gen Exploration	3⅝
33⅞	25⅝	Gen Foods	30¼
88⅞	39⅝	Gen Instrument	81¾
30½	19½	Gen Mills	27¼
58⅛	39⅝	Gen Motors	53
23⅛	12½	Gen Portland	22¼
9¼	4⅛	Gen Pub Utilities	5¼
61¼	37½	Gen Reinsce	58
45¼	28¼	Gen Signal	45⅞
29¼	23	Gen Telep Elec	27⅛
25⅝	12½	Gen Tire	19⅞
5⅛	2¼	Genesco	4⅝
39	19¼	Genuine Parts	39
53½	22½	Georgia Pac	27⅛
107	43	Geosource	103
26⅛	17⅛	Gerber Prod	24⅛
96¾	68½	Getty Oil	93¾
41⅝	18⅛	Giddings Lewis	37⅜
30½	18⅞	Gillette	27⅜
65¼	18¾	Global Marine	55⅛
23½	16½	Goodrich (BF)	22⅞
16¾	10⅞	Goodyear Tire	15⅞
28⅞	20	Gould	25⅜
51⅜	31⅛	Graco	48⅛
39⅞	25¾	Grainger (WW)	34⅞

1980 High	Low	Stock	Oct. 3
8⅝	4¾	Gt. Atl. Pac. Tea	6¼
24	12	Gt. Basins Pet	13½
39⅝	27⅞	Gt.Nthn.Nekoosa	37½
23⅜	14⅛	Gt. West Financl	19¼
18⅛	14	Greyhound	14¾
31⅞	18	Grumman	26
20⅜	12⅜	Gulf & Western	18⅞
51¾	32⅞	Gulf Oil	43⅜
31	20¾	Hall (FB)	29⅜
136¾	82¼	Halliburton	135⅞
31⅜	20⅛	Hammermill Ppr	30⅜
14¼	8	Handleman	13⅜
43¼	28¾	Hanna Mining	34⅝
38	25	Harcourt Brace	34⅛
18¼	11⅛	Harnischfeger	15⅜
29	22⅞	Harris Bancp	27¼
46⅛	28½	Harris Corp	45½
36	29¾	Harsco	33⅛
53	21	Hecla Mining	45
46½	33⅜	Heinz (HJ)	46
22⅞	14⅞	Heller Intl	20⅝
24	15⅛	Hercules	22½
26	20¼	Hershey	24⅝
34⅜	24⅜	Heublein	29½
78	52	Hewlett Pkd	78¼
47⅝	26	Hilton Hotels	44½
64⅞	35⅞	Hitachi	64⅞
20¼	12¾	Hobart Corp	20¼
31½	13⅞	Holiday Inns	28
68¾	33¼	Holly Sugar	58
71¾	26⅛	Homestake	68½
98⅛	66¼	Honeywell	88¼
18⅛	8⅝	Hoover	16
19½	12¼	Hoover Univl	17¾
19½	13⅝	Hormel Geo	18⅞
53½	27¼	Hospital Corp	52
19⅝	13⅝	Household Fin	18⅜
31¼	25⅛	Houston Inds	26¼
51¾	35¾	Houston Nt Gas	51¾
39⅛	19⅛	Houston Oil Min	39⅛
32¾	17⅞	Hudson Bay Mng	27½
82	48⅝	Hughes Tool	82
62¾	32⅞	Humana	61¼
13⅞	9	Hunt (Philip A)	11⅞
17	8¼	Husky Oil	14½
45¼	19⅛	Hutton (EF)	40
25⅛	9⅞	Huyck	24⅞
32¾	18⅝	IC Inds	29⅝
42⅜	27	INA Corp	—
24¼	9⅞	IU Int'	22⅝
28⅛	16½	Ideal Basic Ind	26⅞
6½	3⅛	Ideal Toy	4⅞
9⅜	7¾	ICI ADR	8½
34⅝	15	Imp. Corp. Amer	29⅜
32⅛	19⅜	INCO	23⅜
69	46¾	Ingersoll Rand	64½
33¼	27	Inland Steel	28⅜
95¼	55	Intel	92¾
33¾	22⅛	Interlake	27
37¼	26	InterNorth	32⅝
71¼	51	IBM	66⅛
26¾	17	Int. Flavours	23¼
39	23⅜	Int. Harvester	34
10⅛	9¼	Int. Income Prop	9¾
20¾	13⅜	Int. Multifoods	18½
48⅝	31⅛	Int. Paper	40⅝
30¼	18	Int. Rectifier	22
33½	23⅝	Int. Tel & Tel	31⅞
44⅝	22¾	Iowa Beef	43¼
41⅞	30¼	Irving Bank	39⅛
29½	19½	James (FS)	27½
31⅛	23	Jeffn-Pilot	26⅞
32¾	22⅛	Jewel Cos	32
37⅝	23½	Jim Walter	33½
39⅜	18⅝	Johns Manville	27¼
32¼	18⅜	Johnson Contr	32⅛
85⅜	66⅝	Johnson & Jns	82⅛
12	6½	Johnathn Logan	11¾
25⅝	14⅜	Jostens	22
58⅛	37	Joy Mfg	57½
26¼	17¾	K Mart	20½
29½	16⅞	Kaiser Alumin	26¾
50¼	25⅞	Kaiser Steel	44½
35½	19½	Kaneb Services	34⅛
12⅝	6¾	Kaufman Brd	11⅛
27⅝	12½	Kay Corp	27
21⅛	15¾	Kellogg	19⅜
43⅞	24¾	Kennecott Cpr	29¾
34¾	21¼	Kennametal	32⅞
86¼	55¼	Kerr-McGee	85⅝
42	29⅝	Kidde	40½
55	37¾	Kimberley-Clk	65
12⅜	9⅛	King's Dept. St	9⅝
31¾	19⅛	Knight Rdr. Nws	30½
37	16⅛	Koehring	37
33	19½	Koppers	30⅝
48⅝	39¾	Kraft	45¾
9	3½	Kroehler	6⅛
23¾	14⅞	Kroger	21¼
13⅞	7⅞	LTV	12¾
39¼	20	Lanier Bus. Prod	35⅛
31¾	18⅜	Lear Siegler	28⅞
31¾	19⅜	Leaseway Trans	31¾
34⅛	20⅜	Lenox	31½
40⅛	30¾	Levi Strauss	37½
29	18½	Levitz Furntr	26¼
26⅛	19¾	Libby Owens Fd	24½
68¾	32⅜	Liggett Group	68⅝
60¾	46⅛	Lilly (Eli)	52⅞
46⅜	35¼	Lincoln Nat	41⅞
74	40¾	Litton Inds	70¼
47¾	23½	Lockheed	35½
91⅞	53⅜	Loews	84
36⅞	22½	Lone Star Inds	34¾
34½	22⅝	Longs Drug Strs	33½
58¾	33½	Louisiana Land	56¼
28¾	18¾	Louisiana Pac	24⅜
11⅝	7⅝	Lowenstein	11
82½	51½	Lubrizol	77½
17½	13¼	Lucky Strs	16¾
56⅝	44⅞	MCA	51⅛
14⅛	5⅛	Macke	13½
17	10¾	MacMillan	15⅛
50¼	30¾	Macy	41⅞
25½	16⅞	Madison Fund	24
35¼	27⅛	Mfors Hanover	30¾
47⅝	32¾	Mapco	47⅜
72½	46⅞	Marathon Oil	64⅝
21¼	12⅛	Marine Mid	18
35⅝	18¼	Marley	32¾
30¾	17	Marriott	28⅜
70⅜	53¾	Marsh McLenn	68
21⅞	12¾	Marshall Field	15⅝
62½	40¼	Martin Mtta	62½
28¾	19⅝	Maryland Cup	26¾
33½	19¾	Masco	31⅞
11	6¼	Massey-Fergn	6½
16⅞	12⅛	Mass Multi Corp	15⅝
15	6⅝	Mattel	14⅝
27⅝	18⅜	May Dept Strs	27
22⅜	15⅛	Mayer (Oscar)	17
29	21¾	Maytag	25½
14⅝	8¾	McCulloch Oil	11¾
36	22	McDermott (JR)	29⅝
51⅝	36¼	McDonald's	48
50⅜	25⅞	McDonnell Doug	38⅛
44	21⅞	McDonough	41
51⅛	21	McGraw Edison	28
39⅞	24⅝	McGraw-Hill	39
14½	7½	McLean Truckg	11
28⅞	20⅛	Mead	26⅝
34½	21	Media Genl	31⅝
48⅛	27⅝	Medtronic	44⅝
50⅛	32	Mellon Natl	50
41¾	23⅛	Melville	39¾
19⅝	10½	Memorex	14⅜
40¾	30¾	Mercantile Sts	37
81⅜	60¾	Merck	79½
42½	32	Meredith	41¼
56	17⅜	Merrill Lynch	53

1980 High	Low	Stock	Oct. 3
68⅜	29⅞	Mesa Petroleum	55⅛
9½	6⅛	MGM	18⅛
100½	50⅝	Metromedia	100
41	25⅜	Milton Bradley	39½
62½	46¾	Minnesota MM	59
79½	50⅜	Missouri Pac	79½
79⅛	51⅛	Mobil	72⅝
16	7¾	Modern Merchg	13
10⅝	7	Mohasco	10¼
30¼	10⅛	Monarch M/T	24¾
61¾	42⅝	Monsanto	61⅝
58	35⅛	MooreMcCmrk	49⅝
50	40⅛	Morgan (JP)	45½
70	41⅜	Motorola	65½
18⅝	12	Munsingwear	17
16¼	18⅛	Murphy (GC)	15½
48½	25¼	Murphy Oil	48½
27½	19	Nabisco	25¾
49⅞	29	Nalco Chem	49⅞
17⅞	8⅞	Napco Industries	17⅞
24¾	15⅝	Nat. Can	25
30⅜	22½	Nat. Detroit	29¾
32	17⅛	Nat. Dist. Chem	29½
25⅞	17	Nat. Gypsum	24½
51½	12⅛	Nat. Medical Ent	51½
44⅞	11⅛	Nat. Semiconductr	41⅝
22⅝	16⅛	Nat. Service Ind	20⅛
20⅝	13⅛	Nat. Standard	14¾
31⅜	25⅝	Nat. Steel	27⅛
62	27¾	Natomas	59⅞
16¼	10⅝	NCNB	13⅛
80	52½	NCR	69¼
23½	17⅝	New England El	21
40⅜	28¾	New Eng .Tel	37¼
17⅝	13⅝	NY State E & G	15⅞
32⅛	18¼	NY Times	30
60⅝	31¼	Newmont Mining	53⅞
14⅛	10¾	Niag. Mohawk	12⅛
35⅞	27⅛	NICOR Inc	34¼
37⅝	20¾	Nielsen (AC) A	35½
62⅛	33⅛	NL Industries	60½
29	17¼	NLT	22⅛
46⅛	21⅛	Norfolk & Westn	45
48⅛	30¼	Nth. Am. Coal	40⅝
37	23¾	Nth. Am. Philips	34⅛
25⅛	18⅛	Nthn. State Pwr	23
14⅝	6⅜	Northgate Exp	11½
58½	37⅞	Northrop	45⅞
31¼	20¾	Nwest Airlines	26⅞
29¼	18½	NwestBancorp	24¼
35⅝	25¾	Nwest Inds	33⅛
11⅛	7⅝	Nwestn Mutul	10¾
39	22¾	Nwestd Steel W	23⅜
60	31	Norton	46
17⅞	11	Norton Simon	16⅜
31⅛	20⅝	Occidental Pet	29¾
46¼	27⅝	Ogden	43⅜
30	20	Ogilvy + Math	27½
15	11⅞	Ohio Edison	12⅛
39⅛	17⅝	Okla. Nat. Gas	39⅛
22	14⅛	Olin	20½
46⅛	28⅛	Omark	44½
16	8⅞	Outboard Marine	13
37⅝	18	Overseas Ship	35⅝
31⅛	22⅜	Owens-Corning	27½
26½	20⅛	Owens Illinois	22⅞
39½	19¼	PHH Group	37¾
37⅝	26⅜	PPG Inds	36½
14¼	10¾	Pabst Brewing	12⅞
24⅝	19¾	Pac. Gas & Elect	21⅞
24⅜	17⅛	Pac. Lighting	20⅝
62½	41	Pac. Lumber	57
16⅛	11	Pac. Tel & Tel	15
22¼	13⅛	Palm Beach	22½
6⅛	3⅞	Pan Am Air	5
38⅛	28½	Pan Hand. Pipe	38⅛
59¾	34½	Parker Drilling	59½
32⅜	24	Parker Hannif'n	37⅜
37	19¼	Peabody Intl	37
28¼	20¼	Penney JC	22⅞
34⅜	25½	Pennwalt	28½
53⅞	34	Pennzoil	50½
57¾	40⅛	People's Gas	57¾
28⅜	20	Pepsico	25
59¾	36½	Perkin-Elmer	59¼
39⅞	23¼	Petrie Stores	33⅝
45	28⅞	Petrolane	45
48¼	32⅝	Pfizer	47
47½	26¾	Phelps Dodge	35¾
15⅝	12	Phila. Elect	13⅜
48⅛	29	Philip Morris	42⅜
60⅝	38⅛	Phillips Pet	50⅜
41⅜	27⅝	Pillsbury	38⅝
51	30½	Pioneer Corp	47
40	28½	Pitney-Bowes	37⅞
29⅛	19	Pittston	29⅛
11	5⅛	Planning Rsch	11
68¾	19⅞	Plessey	64
32⅛	19⅝	Polaroid	29½
42	29¼	Potlatch	38½
24¼	16¾	Prentice-Hall	21⅞
82⅜	63⅛	Procter Gamble	74
20⅞	15⅛	Pub. Serv. E & G	17⅞
24⅛	17¾	Pub. S. Indiana	20¾
50	20	Pullman	47¼
17⅛	13⅜	Purex	15⅜
32	21	Purolator	28½
34½	24⅛	Quaker Oats	29⅝
34⅜	18⅛	Quanex	32¾
9¾	4⅛	Questor	9¾
28½	19¾	RCA	27
13⅛	9⅞	Ralston Purina	12
11⅝	5⅝	Ramada Inns	9¾
5	3⅝	Rank Org ADR	3⅞
95½	63¼	Raytheon	92½
45⅝	18¾	Reading Bates	45⅝
11½	6¼	Redman Inds	10¼
32⅝	25½	Reeves Bros	32⅝
14¾	9⅝	Reichhold Chem	12⅝
78⅝	54⅝	Reliance Group	76
26	20¼	Republic Steel	24⅛
30⅛	21⅛	Rep of Texas	29⅛
20¾	12¼	Resch Cottrell	17⅛
37⅝	23⅝	Resorts Intl A	29⅞
35½	21	Revco (DS)	34⅞
20⅞	11	Revere Copper	18½
52¾	36⅛	Revlon	47⅝
19⅛	15⅛	Rexnord	17⅞
42⅛	28	Reynolds (RJ)	41⅛
40¼	27⅝	Reynolds Mtls	38
28	17⅞	Rich- Merrell	27⅛
36¾	19½	Rite Aid	33½
34½	22	Roadway Exps	34½
15⅛	6⅞	Robins (AH)	9⅝
14⅜	11½	Rochester Gas	13½
34½	17¼	Rockwell Intl	31¾
52¼	33	Rohm & Haas	48¼
34¼	17¾	Rollins	33⅝
70⅝	34⅛	Rolm	42⅝
14¼	8⅜	RoperCorp*	13⅜
41⅜	19⅝	Rowan	41⅜
19¼	10¾	Royal Crown	15⅝
92	69⅝	Royal Dutch	91
29⅞	20½	Rubbermaid	28
16⅝	11⅞	Russell Stvr	15⅛
29⅜	16¾	Ryan Homes	26⅛
28⅞	16¼	Ryder System	26⅛
31½	19⅝	SFN Companies	30¼
37⅛	24⅝	SPS Technology	32
40⅛	31⅛	Safeco	38½
39¼	27⅞	Safeway Stores	31
67	35	St. Joe Minls	61⅛
85½	49¼	St. Louis-San F	84⅛
42	31	St. Paul Cos	38⅞
36¾	25¼	St. Regis Paper	32
74⅞	48¾	Santa Fe Inds	74⅞
59¾	30	Santa Fe Intl	59
10⅝	5¼	Saul Invest	9¼
8⅛	4¼	Saxon Inds	7⅛
45	29⅛	Schering Plo	41

1980 High	Low	Stock	Oct. 3
9⅛	5⅜	Schlitz Brew J	8¼
152	95⅜	Schlumberger	149⅞
31½	17⅜	SCM	28½
21½	14	Scott-Paper	18½
14⅛	8½	Scudder Duo V	13⅛
29	12⅜	Sea Contrs	25¾
53¼	26⅝	Seabrd Coast L	52⅜
60¾	33½	Seagram	58¾
25	14	Sealed Power	23⅛
26⅞	18	Searle (G D)	21⅛
19½	15	Sears Roebuck	16⅝
9	4⅛	Seatrain Lns	6
31	22½	Security Pac	30½
89	50	Sedco	71¾
46¾	27¾	Shell Oil	46⅛
41⅝	29	Shell Trans	40⅛
40	23½	Sherwin-Wms	36⅜
48	29⅛	Signal	45¾
44	29⅝	Signode	41
10¾	7⅛	Simplicity Patt	9
11⅝	6⅜	Singer	11
15	9⅛	Skyline	
53	29⅝	Smith Intl	52⅞
67	45	Smith Kline	67
22½	9½	Sonesta Intl	22½
15⅞	5	Sony	15⅛
18⅛	12½	Southeast Bankg	17⅛
27⅝	20⅝	Sth. Cal. Edision	24¼
13⅝	10¼	Southern Co	12
61¼	40¼	Sthn Nat. Res	57½
36¾	30	Sthn N. Eng. Tel	34⅜
45⅜	30¼	Sthn Pacific	39⅛
81¾	51¾	Sth Railway	81½
30	17⅝	Southland	19⅞
31	21	SW Bancshares	31
59⅝	41⅞	Sperry Corp	51⅛
18½	13	Spring Mills	16⅛
30¼	18	Square D	29
39⅞	26¾	Squibb	28⅛
33¼	23	Std Brands	30¾
51½	19	St'd Brds Paint	29⅜
84½	53¾	St'd Oil C'lifornia	84½
71⅞	38⅜	Std Oil Indiana	71⅝
64	41	Std Oil Ohio	63¾
20¾	13¾	Stanley Wks	17
22¼	15	Stauffer Chem	18¾
26⅝	16¾	Sterling Drug	24½
18½	12¼	Stevens (JP)	16⅛
29¼	18	Stokely Van K	24
48⅝	31	Sun Co	47⅜
22⅛	13¼	Sunbeam	18⅜
50½	36	Sundstrand	49½
230½	127⅛	Superior Oil	227½
35½	18	Super Val. Strs	31⅝
58	32⅛	Syntex	56
52⅜	35⅛	TRW	52⅜
34½	26⅛	Taft	30¾
36¼	24⅛	Tampax	34⅛
89⅛	28½	Tandy	81¼
204¾	92¾	Teledyne	186⅞
70	43	Tektronix	67¼
44¾	32⅞	Tenneco	44⅜
31⅞	16	Tesora Pet	23⅞
40½	28⅛	Texaco	36¼
60	41	Texas Comm. Bk	59½
78¾	57	Texas Eastern	75⅜
34¼	23¾	Texas Gas Trn	33⅝
143¼	77⅝	Texas Instrmts	134⅝
66	32⅞	Texas Oil & Gas	66
19¼	15	Texas Utilities	17⅛
68¼	30⅛	Texasgulf	64¼
29⅝	21	Textron	28½
38⅞	20	Thermo Electro	36¼
49½	35⅛	Thomas Betts	48½
55¾	29⅝	Tidewater	55½
28¼	18¾	Tiger Intl	24⅝
61⅞	38½	Time Inc	56⅝
45⅜	28¾	Times Mirror	43⅞
67⅝	45⅛	Timken	65¾
24⅝	13⅜	Tipperary	24⅝
35¾	8½	Tonka	22⅛
30⅜	19¼	Total Pet	24¾
26½	18	Trane	24½
19⅞	14⅝	Transamerica	19⅜
51½	29½	Trans Union	51⅛
27⅛	20½	Transway	24
19⅝	10	Trans World	16¼
44½	35	Travelers	43¼
23⅛	16⅛	Tri Continental	22⅛
28¾	13⅞	Triton Oil Gas	25⅝
39¼	30	20th Cent. Fox	36
17	10¾	Tyler	14⅞
24¼	13⅞	UAL	18⅛
14¾	10⅞	UMC Inds	12¾
27⅜	10⅝	UNC Resources	13¾
64¾	48	Unilever NV	62⅝
49	36⅝	Union Camp	44⅝
49⅜	35	Union Carbide	46⅛
10⅝	6⅝	UnionCommerce	9
45¾	22⅝	Union Oil Cal	43¾
60½	34	Union Pacific	59¾
6	3⅛	Uniroyal	5½
16	9⅞	Utd Brands	16⅜
52⅞	25¼	Utd Energy Res	52½
45½	33⅞	US Fidelity G	42¼
24¾	11	US Filter	22⅛
37⅝	25⅞	US Gypsum	32¾
27⅜	12⅛	US Home	25⅛
9¾	6⅞	US Inds	7¾
29	16½	US Shoe	28¼
24⅞	16⅝	US Steel	22
48	20⅛	US Surgical	48
37⅝	26	US Tobacco	35½
26	18¼	US Trust	22
53½	37¾	Utd Technolgs	53
19⅛	14⅝	Utd Telecomms	17⅛
67	41¾	Upjohn	61
31¾	18¾	VF	31½
35	21½	Varian Assocs	30¾
14¾	7	Vernitron	13¾
12¼	9⅛	Virginia EP	10⅞
44¾	30⅛	Vulcan Matris	40¾
34¼	22¼	Walker (Hm)C.H	29⅝
27⅛	19½	Wallace Murray	25⅛
55¼	28⅛	Wal-Mart Stores	54¼
17¼	11⅞	Warnaco	14⅞
62¾	36⅝	WarnerComms	59⅝
25	17⅛	Warner-Lambt	21¼
24⅝	16	Washington Post	22⅝
80¾	36⅞	Waste Mangt	77
27½	22⅛	Weis Mkts	26⅝
27¼	21⅞	Wells Fargo	26⅝
41⅞	28½	W. Point Peppi	40⅛
10⅝	6¼	Western Airlines	7⅛
34	23⅛	Westn. Bancorp	29⅝
45¾	18⅝	Westn. Nth.Ame	45¾
27⅝	19½	Westinghouse	27
38	26¾	Westvaco	33¼
38	26	Weyerhaeuser	33⅝
49⅝	29⅝	Wheelabratr F	45½
25⅞	16½	Wheeling Pitts	19⅞
22⅛	14¾	Whirlpool	21⅞
27	18½	White Consoltd	25⅛
3¾	3⅜	White Motor	—
33⅞	19	Whittaker	32¼
16¾	11⅜	Wickes	16
42⅞	26¾	Williams Co	42⅛
31¾	24	Winn-Dixie Str	30¾
3½	1⅞	Winnebago	3⅛
26¼	19½	Wisc Elec Power	23⅜
29⅛	21¼	Woolworth	24⅞
39⅝	30½	Wrigley	35½
18	6½	Wyly	17⅝
69⅞	49¼	Xerox	69⅞
19	12	Yellow Frt Sys	17¾
61¼	24½	Zapata	59¼
17⅞	8¼	Zenith Rad	17

CANADA

1980 High	Low	Stock	Oct. 3
24¾	18	Abitibi	23
23⅞	10	Agnico Eagle	20¾
44¾	26⅞	Alcan Alumn	42¼
41½	28	Algoma Steel	36¼
38½	30	Asbestos	31⅛
30⅞	22⅝	Bk Montreal	29
34⅞	22⅝	Bk Nova Scotia	31¼
20¾	9⅝	Basic Resources	14
21⅛	17¾	Bell Canada	18¾
35⅜	11¼	Bow Valley	32⅜
54	35	BP Canada	44
38½	22	Brascan A	37⅜
11¼	7	Brinco	8¾
18	11⅛	B.C. Forest	15
28¾	17	Cadillac Fairy	27
49½	16⅜	Camflo Mines	43½
14⅜	10¾	Can Cement	11⅜
28⅞	16⅞	Can NW Lands	26
35½	29¾	Can Packers	32¼
21	15	Can Perm Mtg	19⅝
28⅝	18	Can Trustco	27⅛
29⅜	22	Can Imp Bank	27⅛
29¾	24⅝	Cdn Inds	28⅛
52¼	34⅞	Cdn Pacific	48¼
31⅝	18⅛	Can. P. Ent	29⅛
28	23⅞	Cdn Tire	24¾
15	9¼	Cherokee Res	10
29¼	15⅜	Chieftain	24¾
80¼	50¼	Cominco	68¾
19¼	13⅞	Cons Bathst A	18½
30	11⅛	Coseka Res	24¾
11⅜	6¼	Costain	10¾
11	4.85	Daon Devel	9⅛
87¼	35⅝	Denison Mines	84
152¼	80	Dome Mines	142⅛
93¾	53⅞	Dome Petroleum	77
20	14⅝	Dom Bridge	19
42	30¾	DomFoundries A	38½
20⅛	17	Dom Stores	17⅞
30⅜	21¾	Domtar	25¾
156	80½	Falcon Nickel	131
45⅛	25	Genstar	41¼
175	126¼	Gt-West Life	175
36	21⅛	Gulf Canada	28
11	3.50	Gulfstream Res	8⅝
27¾	15¼	Hawk Sid. Can	27¾
62	35	Hollinger Ags. A	58⅛
38	22	Hudson Bay Mng	31⅛
31⅛	23	Hudson's Bay	24½
38⅛	23⅛	do. Oil & Gas	32
19¾	9⅝	Husky Oil	17⅛
12½	9¼	IAC	10⅛
28¼	21⅛	Imasco	27⅛
56¾	36½	Imp Oil A	42¼
36¾	22⅞	Inco	27⅞
16⅞	11½	Indal	15⅝
19⅞	16⅝	Interpr. Pipe	16⅝
54	27¼	Kaiser Res	52
35	24½	Mac. Bloedel	31⅝
10⅛	7	Marks & Spencer	9⅜
13⅜	7	Massey Ferg	7¾
98	47	McIntyre Mines	80
10⅛	6	Merland Explor	8⅛
45¼	15	Mitel Corp	43
43⅛	32¼	Moore Corp	40
14⅞	10	Mountain State	12⅝
18	12	Nat.Sea Prods A	12½
33	22⅝	Noranda Mines	29⅞
55	37	Nthn. Telecom	39½
25½	13⅝	Oakwood Pet	22¼
4.25	1.85	Omni	4.05
5.25	2.60	Pacific Cooper	4.20
93	60½	Pan Can Petrol	87½
38	24	Patino	38
29	14½	Placer Dev	27
19⅝	13¼	Power Corp	17¾
9	3.55	Quebec Strgn	8¾
45¼	20⅛	Ranger Oil	44
11⅜	7⅛	Reed Stenhs A	11⅜
38⅞	28	Rio Algom	38⅝
55	31⅞	Royal Bank	52¼
21⅝	12⅛	Royal Trustco A	17⅝
15¾	9⅝	Sceptre Res	13⅛
70¾	40	Seagram	68½
40⅜	28	Shell can Oil	29⅝
38½	25¼	Steel of Can A	36⅞
23¾	12¼	Teck B	21
33½	19¼	Texaco Canada	23⅛
22½	13⅛	Thomson News A	21⅛
32½	23½	Toronto Dom Bk	30
29	20⅛	Transcan Pipe	22⅛
16	10	Trans Mntn Oil A	14
22¼	10¾	Utd Siscoe Mines	21
34¾	19⅞	Walker(Hrm)C.H	34¾
11.25	3.10	Warrior Res	9.87
15½	12	Westcoast Trans	12¾
28½	22⅛	Weston (Geo)	25

HOLLAND

1980 High	Low	Oct. 3	Price Fls
80	62.1	ACF Holding	66
88	59.2	Ahold	67.6
26	20.4	AKZO	20.4
329	255.5	ABN	303.5
103.6	81.5	AMEV	88.5
70.5	52.6	AMRO	64.2
225	170.4	Bredero Cert	172.5
105.3	79	Bos Kalis	84
69	52	Buehrmann-Tet	56.5
28.5	21.4	Caland Hldgs	25.3
239.2	175.5	Elsevier	179
142	116	Ennia	136.2
74.5	56	Euro Com Tst	74
35.6	26.2	G st-Brocades	30.2
55.1	48.2	Heineken	49
24.3	13.10	Hoogovens	13.3
24	11	Hunter Douglas	11.8
29	19.7	Int-Mueller	19.9
75.5	51	KLM	60.2
18.5	13.1	Naarden	15.5
118.5	100.9	Nat Ned Cert	115
60.9	54.7	Ned Cred Bank	56.5
244	191	Ned Mid Bank	225
103.2	70	Nedlloyd	93.5
130.5	104	Oce Grinten	107.5
19.1	6.5	OGEM	7.00
28.80	19.6	Ommeren (Van)	24.9
57.2	38.5	Pakhoed	40.5
20.8	16.5	Philips	16.5
52.5	27.1	Rijn-Schelde	46.3
189.8	152	Robeco	188.5
110.3	103.4	Rodamco	108.2
164.5	135.4	Rolinco	164.5
116	103.4	Rorento	114
177.7	145.8	Royal Dutch	177
231.4	190	Slavenburg's	190.0xd
178	122	Tokyo Pac. Hg	178
125.1	102.5	Unilever	122.6
127	73.8	Viking Res	127
41.1	28	VMF-Stork	32.4
95.5	75.2	VNU	86.3
67	31	Volker-Stevin	33.5
342.8	207	West Utr. Bank	211

ITALY

1980 High	Low	Oct. 3	Price Lire
10.00	6.0	ANIC	9.12
88,350	44,000	Assicur Gen	87,500
28,450	10,751	Banca Com'le	28,450
795	519	Bastogi Fin	636
16,300	6,300	Centrale	16,300
9,500	4,439	Credito Varesino	8,990
2,300	1,594	Fiat	2,819
114	58.5	Finsider	85
3,250	1,779	Invest	3,180
80,950	17,990	Italcement	80,950
390	235	Italsider	359
189	139.25	Montedison	171
2,440	1,453	Olivetti	2,374
2,851	1,825	Pirelli Co	2,765
1,200	548	Pirelli SpA	1,095
940	560	Snia Viscosa	925
741	360	do. do. Priv.	721
19,000	8,950	Toro Assic	19,000
15,700	4 410	Do. Pref	15,700

NORWAY

1980 High	Low	Oct. 3	Price Kroner
116	101.5	Berger Bank	108
92.5	67	Borregaard	68
128	112	Creditbank	116.5
108	71	Elkem	72.5
585	400	Kosmos	440
765	440	Norsk Hydro	635
147.5	113.5	Storebrand	123

SWEDEN

1980 High	Low	Oct. 3	Price Kronor
186	148	AGA	183
143	107	Alfa-Laval	109
86.5	60	ASEA	62.5
80	60	Atlas Copco	67.5
170	135	Bofors	152
139	103	Cellulosa	106.5
92	76	Electrolux	76
108	80	Ericsson	87
175	139	Esselte	147
119	69.5	Fagersta	72.0
89	66.5	Granges	86
142	76	MoDomsjoe	88.5
95	65	Saab-Scania	75
216	174	Sandvik	181
264	227	Skandia	248
133	105	Skan Enskilda	126
77	58	SKF	69
212	148	St.Kopparberg	199
72.5	53.5	Sven Handelsbn	70
98	75	Swedish Match	88
89	49.0	Uddeholm	50
84.5	61.5	Volvo	62.5

SWITZERLAND

1980 High	Low	Oct. 3	Price Frs.
1,360	1,110	Alusuisse	1,270
1,890	1,600	Brown Boveri	1,670
1,275	970	Ciba-Geigy	1,060
1,000	740	do (Part-Certs)	830
2,545	2 055	Credit Suisse	2,545
2,640	2,030	Elektrowatt	2,540
880	730	Fischer (Geo.)	845
73,750	51,000	Hoff-Roche PtCts	69,500
7,350	5,100	Hoff-Roche 1-10	7,000
5,850	4,825	Interfood	5,675
1,490	1,245	Jelmoli	1,440
1,550	1,260	Landis & Gyr	1,550
3,600	3,050	Nestle	3,335
2,950	2,415	Oer-Buhrle	2,865
288	250	Pirelli	271
4,240	3,350	Sandoz (Br.)	3,850
530	425	Sandoz (Pt Cts)	485
295	210	Schindler (PtCts)	210
800	710	Swissair	728
429	348	Swiss Bank	373
7,450	5,000	Swiss Reinsce	7,425
1,975	1,750	Swiss Volksbk	1,840
3,800	3,170	Union Bank	3,420
2,600	1,990	Winterthur	2,470
15,000	12,700	Zurichins	14,600

AUSTRALIA

1980 High	Low	Oct. 3	Price Aust. $
5.00	4.10	ANZ Group	4.53
1.15	0.80	Acrow Aust	1.05
2.60	0.95	Allstate Expl	2.45
1.70	1.00	Ampol Pet	1.60
2.50	1.80	Assoc Pulp Pap	2.17
0.42	0.24	Audimco	0.27
2.58	1.80	Aust Cons Ind	2.08
1.60	1.32	Aust Guarant	1.36
3.05	1.84	Aust Natl Ids	2.80
2.21	1.48	Aust Paper	2.05
3.50	2.70	Bank NSW	3.05
2.12	1.20	Blue Metal	2.12
3.00	0.98	Bond Hldgs	2.83
3.35	2.14	Boral	3.30
3.15	1.80	B'ville Copper	2.50
3.02	1.85	Brambles Inds	2.75
5.00	2.07	Bridge Oil	4.70
16.15	11.48	BHP	16.16
0.39	0.15	Brunswick Oil	0.34
7.10	4.65	CRA	6.56
7.80	4.52	CSR	7.24
2.10	1.74	Carlton & Utd	1.74
3.82	2.85	Castlemaine Tys	3.60
0.41	0.25	Cluff Oil (Aust.)	0.41
0.27	0.13	Do. Opts	0.27
1.35	1.35	Cockburn Cemt	1.35
2.40	1.60	Coles (G.J.)	2.30
5.80	3.95	Comalco	5.80
9.50	5.20	Cons. Gold	9.20
3.50	2.50	Containers	3.20
3.35	2.05	Costain	3.10
4.45	2.10	Crusader Oil	3.90
0.93	0.71	Dunlop	0.93
5.75	2.80	Elder Smith GM	3.60
0.62	0.29	Endeavour Res	0.57
1.65	1.38	Gen. Prop. Trust	1.48
4.70	3.20	Hamersley	4.30
6.40	2.60	Hartogen Energy	5.90
1.24	0.85	Hooker	1.16
3.00	2.05	ICI Aust	2.80
1.18	0.83	Jennings	1.09
2.80	1.40	Jimberlana 25c	2.00
1.61	1.05	Jones (D)	1.30
0.60	0.27	Kia Ora Gold	0.52
2.25	1.10	Lennard Oil	1.42
5.24	2.35	MIM	5.22
7.20	0.60	Meekatharra	6.20
0.45	0.15	Meridian Oil	0.39
1.30	0.33	Monarch Pet	0.68
1.72	1.44	Myer Emp	1.47
2.80	2.32	Nat Bank	2.65
2.95	2.10	News	2.90
1.56	1.05	Nicholas Int	1.32
4.55	2.80	North Bkn Hill	4.00
5.00	2.90	Oakbridge	3.80
2.90	0.66	Otter Expl	1.50
9.50	5.10	Pancon	8.50
0.39	0.14	Pan Pacific	0.28
2.45	1.72	Pioneer Conc	2.20
0.78	0.25	Queen Marg't G	0.70
2.90	1.93	Reckitt & Coln	2.40
15.00	5.90	Santos	14.9
1.65	1.00	Sleigh (H.C.)	1.48
0.65	0.29	Southland M'n'g	0.51
1.05	0.39	Spargos Expl	1.05
2.70	1.91	Thos Nationwide	2.65
2.80	1.66	Tooth	2.15
6.00	3.70	Utah Mining	5.80
1.95	0.25	Valiant Consdt	1.00xr
0.90	0.55	Waltons	0.78
6.24	3.55	Western Mining	5.80
3.35	1.70	Woodside Petrol	3.30
1.85	1.42	Woolworths	1.84
4.25	2.75	Wormald Intl	4.05

HONG KONG

1980 High	Low	Oct. 3	Price H.K. $
29	9.90	Cheung Kong	27.5
2.75	1.84	Cosmo Prop	2.25
12.40	8.60	Cross Harbour	10.0
7.10	4.85	Eastn Asia Nav	5.8
144	80.00	Hang Seng Bank	135
7.50	5.05	HK Electric	6.40
100	55.00	HK Kowloon Wh	99
19.3	9.24	HK Land	18
18.60	11.20	HK Shanghai Bk	17.8
29.55	21.74	HK Telephone	25.4
13.9	6.70	Hutchison Wpa	13.1
28	11.74	Jardine Math	25.2
6.35	3.10	New World Dev	5.9
7.10	3.25	O'seas Trust Bk	6.7
19.30	7.55	SHK Props	16.5
10.30	6.90	Swire Pac A	7.95
6.70	3.47	Wheel'k Mard A	5.85
5.95	4.30	Wheel'k Marit's	5.50

JAPAN

1980 High	Low	Oct. 4	Price Yen
760	514	Ajinomoto	598
547	455	Amada	540
471	340	Asahi Glass	438
570	480	Bridgestone	570
720	579	Canon	714
407	310	Citizen	380
1,000	700	Daiei	710
405	337	DKB	405
570	480	Dai Nippon Ptg	570
465	275	Daiwa House	405
331	271	Daiwa Seiko	330
439	364	Ebara	385
1,120	834	Eisai	1,090
430	370	Fuji Bank	418
749	457	Fuji Film	735
1,060	749	Fujisawa	1,030
3,500	2,450	Fujitsu Fanuc	3,480
2,090	1,510	Green Cross	1,950
564	470	Hasegawa	530
678	555	Heiwa Rl East	578
335	251	Hitachi	330
708	492	Hitachi Koki	708
622	510	Honda	585
853	700	House Food	810
894	760	Hoya	810
554	392	Itoh (C)	421
600	518	Itoh-Ham	540
1,490	1,000	Itoh-Yokado	1,080
555	390	JACCS	535
2,600	2,300	JAL	2,590
910	550	Jusco	710
395	268	Kajima	305
474	370	Kao Soap	435
578	460	Kashiyama	578
430	360	Kikkoman	398
450	385	Kirin	424
1,150	950	Kokuyo	975
398	327	Komatsu	380
719	610	Komatsu Fift	684
529	405	Konishiroku	507
381	353	Kubota	375
485	355	Kumagai	485
3,830	2,900	Kyoto Ceramic	3,600
453	332	Lion	384
588	430	Maeda Cons	540
1,190	956	Makita	1,010
418	330	Marubeni	418
685	496	Marudai	684
786	598	Marui	665
849	647	Matsushita	849
611	505	M'ta Elec Works	611
430	367	M'bishi Bank	418
745	606	M'bishi Corp	745
239	185	M'bishi Elec	238
445	337	M'bishi Rl Est	421
212	168	MHI	212
419	305	Mitsui Co	369
557	418	Mitsui Rl Est	551
465	390	Mitsukoshi	430
496	430	NGK Insulators	459
1,290	1,030	Nippon Denso	1,090
770	650	Nippon Gakki	719
488	408	Nippon Meat	450
2,470	1,090	Nippon Oil	1,430
785	505	Nippon Shinpan	785
149	118	Nippon Steel	149
231	195	Nippon Suisan	200
5,350	4,850	NTV	4,270
734	606	Nissan Motor	685
388	317	Nisshin Flour	388
188	137	Nisshin Steel	157
440	368	Nomura	404
340	268	NYK	296
1,120	851	Olympus	1,110
1,160	900	Orient	1,110
2,460	1,700	Pioneer	2,260
584	483	Renown	550
686	525	Ricoh	613
499	342	Sanyo Elec	439
295	225	Sapporo	242
810	627	Sekisui Prefab	730
685	468	Sharp	685
1,010	865	Shiseido	900
3,490	1,850	Sony	3,170
482	390	Stanley	475
291	245	S'tomo Marine	280
813	615	Taihei Dengyo	780
231	199	Taisei Corp	209
600	531	Taisho Pharm	565
683	458	Takeda	635
3,120	1,720	TDK	3,090
164	132	Teijin	159
1,440	920	Teikoku Oil	1,000
600	478	TBS	572
674	537	Tokio Marine	574
934	795	Tokyo Elect.Pwr	918
128	111	Tokyo Gas	113
639	509	Tokyo Sanyo	599
221	178	Toshiba	220
242	205	Tokyu Corp	230
486	395	TOTO	480
464	374	Toyo Seikan	396
838	716	Toyota Motor	799
2,100	990	Victor	1,940
795	665	Wacoal	780
1,050	825	Yamaha Motor	920
588	461	Yamazaki	560
316	227	Yasuda Fire	291
849	600	Yokogawa Bdge	635

SOUTH AFRICA

1980 High	Low	Oct. 3	Price Rand
3.85	2.65	Abercom	3.85
10	5.45	AE & CI	9.1
22	12.30	Anglo Am. Cp	21.5
146	80	Anglo Am. Gold	138.5
12.25	8.05	Barlow Rand	12.15
70	30.00	Buffels	69
6.30	3.40	CNA Invests	6.10
2.90	1.30	Currie Finance	2.80
13.85	8.85	De Beers	13.60
42	21.50	East Drie	41
100.50	48.00	FS Geduld	96.5
115	66.50	Gold Fields SA	111
5.60	3.53	Highveld Steel	4.70
9.00	5.30	Huletts	5.75
51	25.00	Kloof	48.5
6.90	5.00	Nedbank	6.35
20.0	12.50	OK Bazaars	17.9
3.85	2.55	Protea Hldgs	3.45
8.10	5.90	Rembrandt	7.60
3.95	2.85	Rennies	3.55
9.20	4.90	Rust Plat	6.85
2.96	2.25	Sage Hldgs	2.75
4.08	2.68	SA Brews	3.90
19.25	10.30	Smith CG Sugar	16.88
2.40	1.40	Sorec	2.20
18.00	13.50	Tiger Oats	17.10
2.55	1.85	Unisec	2.50

Financial Rand US$0.82½
(Discount of 29¼%)

BRAZIL

1980 High	Low	Oct. 3	Price Cruz
2.83	1.09	Acesita	1.54
4.67	2.45	Banco Brazil	3.80
1.83	1.43	Banco Itau	1.88
5.45	1.90	Belgo Min	4.65
3.37	1.40	Lojas Amer	3.15
6.10	1.87	Petrobras PP	3.54
2.07	1.00	Pirelli OP	1.45
4.00	2.55	Souza Cruz	2.75
7.30	4.80	Unip PE	5.85
11.90	2.93	Vale Rio Doce	2.80

TEL AVIV

	Prices Oct. 5 1980	Change on the week
Banking, Insurance and Finance		
Bank Leumi le Israel	875	+ 8.0
IDB Bankholding	948	+ 12.0
Bank Hapoalim Br.	774	+ 2.0
Union Bank Israel Br.	840	+ 39.0
Utd. Mizrahi Bank	683	+ 16.0
Hassneh Insurance Br.	515	+ 25.0
General Mort. Bank Br.	855	+ 6.0
"Tafahot" Israel Mort. Bank Br.	688	+ 67.0
Land Development		
Africa. Israel Inv. I£10	1,355*	+127.0
Israel Land Dev. Br.	512	+ 42.0
Property and Building	670	+ 20.0
Public Utility		
Israel Electric Corp.	545	+ 45.0
Investment Companies		
Bank Leumi Invest.	881	+ 10.0
"Clal" Israel Invest.	808	+113.0
Discount Invest.	553	+ 58.0
Commercial and Industrial		
Alliance Tire & Rubber	2,924	− 6.0
Elco Br.	616	+ 65.0
Argaman Textile Br.	301	− 9.0
"Ata" Textile "B"	280	+ 10.0
Amer. Israel Ppr. Mills	1,276	+151.0
Assis	558*	+ 49.0
Elite	893*	+ 83.0
Fuel and Oil		
Delek	884	+ 63.0

* Buyers only.

Source: Bank Leumi le Israel BM, Tel Aviv.

NOTES:—Prices on this page are as quoted on the individual exchanges and are last traded prices. ‡ Dealings suspended. xd Ex dividend. xc Ex scrip issue. xr Ex rights. xa Ex all.

AUSTRIA

1980 High	Low	Oct. 3	Price %
336	336	Creditanstalt	336
336	336	Landerbank	336
285	265	Perlmooser	269
114	100	Semperit	103
257	230	Steyr Daimler	244
359	285	Veitscher Mag	299

BELGIUM/LUXEMBOURG

1980 High	Low	Oct. 3	Price Fls.
2,450	1,034	ARBED	1,400
5,400	5,000	Banq Ind A Lux	5,000
2,170	1,575	Bekaert B	1,700
1,120	900	Ciment CBR	904
386	190	Cockerill	191
2,230	1,820	EBES	1,800
6,280	5,060	Electrobel	5,420
4,210	2,700	Fabrique Nat	2,890
2 600	2,205	GB-Inno	2,230
1 695	1,020	GBL (Brux)	1,064
1,828	880	Gevaert	1,248
3,195	2,435	Hoboken	2,645
1,700	1,400	Intercom	1,400
6,510	5,570	Kredietbank	5,710
4,190	3,200	Pan Holding	4,190xd
6,250	4,600	Petrofina	4,980
5,920	5,000	Royale Belge	5,730
2,895	2,205	Soc Gen Banq	2,255
1,750	1,138	Soc Gen Belge	1,138
3,535	3,000	Sofina	3,200
2,790	2,200	Solvay	2,430
2,735	2,440	Traction Elect	2,575
1,556	1,208	UCB	1,242
1 040	718	Union Miniere	720
1,795	1,130	Vieille Mont	1,262

DENMARK

1980 High	Low	Oct. 3	Price Krone
136.5	108	Andelsbanken	112.6
407	218	Baltica Skand	286xr
79.5	25	Burm & Wain	25
121	102.75	CopHandelsbank	111.6
289.75	169.75	D. Sukkerfab	289
180	100.75	Danske Bank	111.20
143.5	102.75	East Asiatic	127
162.5	136	Finansbanken	154.6
294	205	Forenede Brygg	284
197	149.5	Forende Dampsk	186
202.75	155.5	GNT Hldg	164
166	129.25	Nord Kabel	159.4
540.4	115	Novo Ind	540.4
117.5	100	Papirfabrikker	111.6
125.5	105.25	Privatbankenk	117.2
133	105	Prov hsbanken	120
299	238.50	Smidth (FL)	346
505.5	306	S. Berendsen	494.4
131.25	95.75	Superfos	118

FRANCE

1980 High	Low	Oct. 3	Price Frs.
2,685	1,780	Emprunt 4½% 1973	2570.5
9,806	5,680	Emprunt 7% 1973	9,806
4,391	3,410	CNE 3%	3,445
428	328	Afrique Occid	398
471	341	Air Liquide	471
1,540	1,105	Aquitaine	1,369
124	87.5	Au Printemps	121.9
626	461	BIC	588
183	147	Banq' Rothschild	163.2
865	525	Bouygues	751
1,075	850	BSN Gervais	1,040
1,778	1,239	Carrefour	1,778
433	325	Club Mediter	429
368.5	274.5	CGE	368.5xr
578	427	CSF (Thomson)	470
375	280	Cie Bancaire	346
490	385	Cie Gen Eaux	474
169.5	143	Cofimeg	153.1
193	157	CCF	191
84	56	Creusot-Loire	79.9
289	223.2	CFP	230
42.8	30.2	DNEL	38.2
905	602	Dumez	875
388.8	316	Ferodo	325.5
368	267	Gen Occidental	339
132	62.5	Imetal	97.7
302.5	224	Lafarge	301
732	600	L'Oreal	679
1,725	1,010	Legrand	1,700
72.9	50.9	Machines Bull	54.2
11,000	7,260	Matra	10,520
925	713	Michelin B	838
580	455	Moet-Hennessy	536
89.9	64	Moulinex	64
263.6	216	Paribas	256
115	88.3	Pechiney	105.5
345.4	246	Pernod Ricard	343
240	166	Perrier	201xr
281.2	177.9	Peugeot SA	185
270	202	Poclain	230
334	256	Radiotech	315
474	418	Redoute	450
142	106	Rhone-Poulenc	106.6
288	220	Roussel-Uclaf	259.5
139.7	119	St. Gobain	123.6
1,050	616	Skis Rossignol	848
317	260	Suez	305
1,050	688	Telemech Elect	1,050
253	185	Thomson-Brandt	250.5

GERMANY

1980 High	Low	Oct. 3	Price Dm.
129.9	71	AEG-Telef	84.9
480	346	Allianz Vers	450
161	128.1	BASF	131.8
128.8	111.8	BAYER	113.5
269.5	215.5	Bayer-Hypo	268
318.5	251	Bayer-Verein	311
217	164	BHF-Bank	206
172	143	BMW	168
324	280.5	Brown Boveri	293xr
186.4	150.4	Commerzbank	161.9
68.5	42.2	Conti Gummi	57
274.5	226.5	Daimler Benz	268.5
265.5	220.6	Degussa	259
140.5	122	Demag	133
274.9	187	D'sche Babcock	201
301.4	226.5	Deutsche Bank	287.6
185	128.5	DU Schult	174
205.4	167	Dresdner Bank	192.2
148	116	Dyck Zement	141
224	153.5	GHH	207
77	63.6	Hapag Lloyd	68.1
126.6	109.1	Hoechst	112.8
37.8	21.5	Hoesch	24.6
475	325	Holzmann (P)	390
184	112	Horten	153
185.5	139	Kali und Salz	185.5
258.5	212.0	Karstadt	225
200	168	Kaufhof	194
229	198.5	KHD	208
67.8	38	Kloeckner	42
68	54	Krupp	57
337	274.5	Linde	314.1
87.5	69.0	Lufthansa	72.7
204	174.5	MAN	190
137.3	112.8	Mannesmann	128
244	195	Mercedes Hlg	244
312	236.5	Metallgesell	312
659	545	Muench Ruck	650
128	74.75	Preussag	121.7
195	164	Rhein West Elect	185
286	240	Rosenthal	294
229.8	175.2	Schering	225.5
285.1	247.5	Siemens	277
90.9	57.2	Thyssen	60.6
178	138	Varta	174
160.3	131.7	Veba	159.7
279	260	Verein-West	279
191.1	165.3	Volkswagen	174

SINGAPORE

1980 High	Low	Oct. 3	Price $
5.80	2.46	Boustead Bhd	5.80
4.02	2.60	Cold Storage	3.60
6.15	4.46	DBS	5.05
8.15	5.20	Fraser & Neave	6.20
2.80	1.79	Haw Par	2.53
3.90	2.19	Inchcape Bhd	3.30
15.40	7.95	Malay Banking	14.30
7.90	4.68	Malay Brew	6.5
12.90	7.15	OCBC	11.5
2.70	1.45	Pan Elect	2.42
3.82	2.66	Sime Darby	3.34
8 05	3.82	Straits Trdg	7.30
4.70	3.50	UOB	4.20

Indices

NEW YORK —DOW JONES

	Oct. 3	Oct. 2	Oct. 1	Sept. 30	Sept. 29	Sept. 26	1980 High	1980 Low	Since Cmpil'tn High	Since Cmpil'tn Low
•Industr'ls	950.68	942.24	939.42	932.42	921.93	940.10	974.57 (22/9)	759.13 (21/4)	1051.70 (11/73)	41.22 (2/7/32)
H'me B'nds	66.94	66.55	65.87	66.14	66.30	66.81	76.61 (23/6)	65.37 (26/3)	—	—
Transport	345.42	341.04	337.59	333.86	328.77	337.53	350.02 (22/9)	233.69 (27/3)	350.02 (22/9/80)	12.23 (8/7/32)
Utilities	111.21	109.43	106.70	107.52	107.33	108.81	115.88 (8/7)	96.04 (27/3)	165.32 (20/4/69)	10.52 (28/4/42)
Trading Vol 000's	47,670	46,160	48,720	40,290	46,410	48,460	—	—	—	—

•Day's high 957.85 low 938.40

	Sept. 26	Sept. 19	Sept 12	Year ago (approx)
Ind. div. yield %	5.73	5.58	5.74	5.66

STANDARD AND POORS

	Oct. 3	Oct. 2	Oct 1	Sept. 30	Sept. 29	Sept 26	1980 High	1980 Low	Since Cmpil'tn High	Since Cmpil'tn Low
‡Indust'ls	147.32	145.55	144.87	142.82	140.49	143.78	148.55 (22/9)	111.09 (27/7)	146.88 (19/9/80)	3.52 (30/6/32)
§Composite	129.53	128.08	127.13	125.46	123.54	126.85	130.40 (22/9)	98.22 (16.2)	129.25 (19/9/80)	4.40 (1/6/32)

	Oct. 1	Sept. 24	Sept. 17	Year ago (approx)
Ind. div. yield %	4.58	4.50	4.54	4.99
Ind. P/E Ratio	8.82	9.05	8.91	8.13
Long Gov. Bond Yield	11.79	11.62	11.46	9.30

N.Y.S.E. ALL COMMON

Oct. 3	Oct. 2	Oct. 1	Sept. 30	1980 High	1980 Low
74.74	73.96	73.37	72.38	75.43 (22/9)	55.30 (22/3)

Rises and Falls	Oct. 3	Oct. 2	Oct. 1
Issues Traded	1,914	1,891	1,889
Rises	1,124	945	906
Falls	430	580	633
Unchanged	360	366	350
New Highs	—	51	24
New Lows	—	4	4

MONTREAL

	Oct. 3	Oct. 2	Oct. 1	Sept. 30	1980 High	1980 Low
Industrial	368.05	390.51	380.05	384.05	425.60 (23/2)	325.21 (27/3)
Combined	365.45	364.41	363.56	359.15	378.50 (29/2)	296.50 (27/3)
TORONTO Composite	2,250.1	2,281.9	2293.1	2260.0	2347.6 (24/9)	1702.5 (27/3)

NEW YORK ACTIVE STOCKS

Friday	Stocks traded	Closing price	Change on day		Stocks traded	Closing price	Change on day
G. O. Searle	1,103,700	21¼	+ ½	UAL	436,300	18½	+ ⅞
Gen Tel. El	712,700	27¾	+ 1¼	Xerox	432,600	69⅞	+ 1⅞
Philips Petrlm	520,700	50⅛	− 1½	Colonial Penn	416,700	17⅛	+ 1⅛
J. C. Penney	514,600	22⅞	− ⅜	Gulf Oil	414,800	43¾	− ¾
IBM	437,200	65¾	+ ⅞	Citicorp	336,600	20½	− ⅛

	Oct. 3	Oct. 2	Oct. 1	Sept. 30	1980 High	1980 Low
AUSTRALIA						
Sydney All Ord. (1956/59)	997.50	995.37	992.10	991.94	997.50 (3/10)	760.00 (2/1)
Metal & Minrls. (1956/59)	6665.52	6644.26	6581.08	6618.14	6680.95 (14/2)	4581.26 (28/5)
AUSTRIA						
Credit Aktien (2/1/62)	66.83	66.76	66.69	66.56	69.46 (7/1)	65.59 (19/8)
BELGIUM						
Belgian SE (31/12/63)	90.36	90.55	90.77	90.86	105.75 (11/2)	90.14 (31/8)
DENMARK						
Copenhagen SE (1/1/73)	90.80	90.31	90.52	90.50	91.38 (24/9)	74.78 (6/6)
FRANCE						
CAC General (29/12/61)	113.1	111.9	111.0	110.6	117.8 (22/2)	97.1 (3/1)
Ind Tendance (28/12/79)	117.6	116.9	116.1	115.4	119.4 (15/9)	95.6 (3/1)
GERMANY						
FAZ-Aktien (31/12/58)	232.54	231.66	230.99	228.97	238.69 (25/2)	212.76 (28/3)
Commerzbank (Dec. 1953)	730.9	726.3	724.4	718.5	749.2 (25/2)	687.0 (27/3)
HOLLAND						
ANP-CBS General (1970)	82.5	82.5	82.7	82.8	88.8 (25/7)	74.8 (27/3)
ANP-CBS Indust. (1970)	60.2	60.6	60.6	61.8	68.2 (11/1)	58.2 (28/3)
HONG KONG						
Hang Seng Bank (31/7/64)	1266.16	1243.87	1240.60	1218.68	1316.78 (22/9)	738.9 (19/6)
ITALY						
Banca Comm. Ital (1972)	146.93	143.80	141.91	141.15	146.93 (3/10)	85.11 (2/1)
JAPAN						
Dow Average (16/5/49)	7142.24	7119.40	7123.08	7076.46	7142.24 (3/10)	6475.93 (27/3)
Tokyo New SE (4/1/68)	493.09	490.51	490.07	486.78	493.09 (3/10)	446.01 (18/3)
NORWAY						
Oslo SE (1/1/72)	128.75	128.26	127.71	127.76	144.70 (14/2)	110.12 (28/6)
SINGAPORE						
Straits Times (1966)	610.31	609.49	607.56	590.22	647.49 (22/9)	429.76 (3/1)
SOUTH AFRICA						
Gold (1958)	962.8	974.0	988.8	956.4	1026.1 (22/9)	649.5 (2/7)
Industrial (1958)	605.9	605.6	605.5	600.1	627.1 (8/9)	456.0 (2/1)
SPAIN						
Madrid SE (28/12/79)	110.50	110.52	109.91	109.26	111.17 (18/9)	95.76 (13/5)
SWEDEN						
Jacobson & P. (1/1/58)	354.07	355.15	356.72	356.37	386.98 (8/2)	354.72 (17/1)
SWITZERLAND						
Swiss BankCpn. (31/12/58)	306.7	306.6	306.2	304.6	317.9 (11/2)	276.0 (28/6)
WORLD						
Capital Intl. (1/1/70)	—	156.8	155.2	155.1	158.7 (22/9)	120.6 (27/3)

Base values of all Indices are 100 except NYSE All Common—50; Standard and Poors—10; and Toronto—1,000; the last named based on 1975. † Excluding bonds. ‡ 430 Industrials. § 400 Industrials plus 40 Utilities, 40 Financials and 20 Transports. c Closed. u Unavailable.

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UK NEWS

Whitehall seeks strategy on information technology

BY JOHN ELLIOTT, INDUSTRIAL EDITOR

PLANS FOR co-ordinating the Government's purchasing and other activities in the growing information technology area are being drawn up in Whitehall.

A committee of representatives from 14 Government departments, including the Treasury, has held its first meeting under the chairmanship of Mr. Roy Croft, a deputy secretary at the Department of Industry.

No details have yet emerged. The Industry Department is considering a national strategy to be proposed by the Government to cover areas as diverse as office equipment and space research.

The talks follow the publication two weeks ago of a Cabinet Office report on information technology, prepared by the Advisory Council for Applied Research and Development. It recommended that a single Minister and Government department should be responsible for the subject.

The report is now being studied by Mr. Croft's committee which will prepare proposals for Whitehall organisation and public spending, hinged around the Industry Department's activities. The committee is expected to reject ideas for creating a separate communications ministry.

Information technology covers advanced areas of electronics such as telecommunications, satellite communications, computer controlled telephone switching systems, word processors, and audio video developments.

A wide range of Government departments are major purchasers of its products, while the Department of Industry also has responsibility for sponsoring the manufacturing industries involved.

Within the Industry Department Mr. Reay Atkinson, an under secretary, has been appointed to head a new information technology division. Up to now, Mr. Atkinson has been responsible for computer systems and electronics, and he is now to take over office equipment as well.

Mr. Croft will become the deputy secretary for this new division next month when the Industry Department completes an internal reorganisation. He will also assume responsibility for the department's electronics applications activities and co-ordinate some of its space research. He is already responsible for posts and telecommunications, British Aerospace and Concorde.

Bank warns on deals in sterling

By Michael Lafferty, Banking Correspondent

The Bank of England has fired a warning shot across the bows of companies wishing to deal outside the banking system in the London sterling wholesale markets. It has told sterling brokers and corporate treasurers that this could be a breach of the 1979 Banking Act.

The Bank's position is set out in a letter from Mr. Roger Barnes, of the banking supervision division, to the Sterling Brokers' Association.

He says that where a commercial name (a non-bank company) takes funds from another commercial name it is possible that a breach of the Act has occurred.

"This is because the taking of a deposit (which certainly embraces funds taken in the wholesale market) may well constitute a deposit-taking business and thus require the company to seek an authority from the Bank to take deposits."

Bonn holds up EEC textile research plan

BY RHYS DAVID

A JOINT textile research programme backed by the EEC Commission and authorised last May by the European Parliament is still waiting to be implemented, because of West Germany's refusal to give approval at the Council of Ministers.

The programme, drawn up by the industry in member countries after three years of negotiations, will cost 8.25m European currency units (£4.8m), towards which the EEC has been proposing to contribute 4.2m ECU from its budget.

This would be spread between 18 textile research associations throughout Europe, and would cover research into pollution treatment, upgrading of linen, spinning of wool, and ways of improving the comfort and appearance of garments, including knitwear, to offset low cost competition.

At meetings of the Council of Ministers the West German Government has raised a number of objections to particular aspects of the programme and the way it will be organised.

It is believed to be suggesting that the programme, which has been agreed by the European Commission with Comitextil, the body covering national textile trade associations in the Community should also be looked at by the member States' own research experts.

The Germans are also thought to favour the various projects being put out for tender rather than being allocated to textile research associations. Behind the German position is thought also to be a reluctance to authorise further EEC spending following the renegotiation earlier this year of Britain's Budget contribution, the effect of which has been to make West Germany the EEC's main paymaster.

The programme is regarded by the European textile industry as particularly important because of the co-operation that will be encouraged between textile research associations, and the sharing of subsequent results.

Spending by the UK research associations under the proposals would amount to £853,000 (half to be funded by the EEC), but Britain and all the other member States would have access to the research findings of the programme as a whole.

In Britain the Shirley Institute, the Manchester research organisation, Wira in Leeds, which specialises in wool and clothing, Hatra in Nottingham (knitting) and Lira in Northern Ireland (linen) are due to share in the funds being made available, but would have to raise matching funds from other sources.

The UK textile industry is hoping that the issue will be on the agenda at the next meeting of Coreper, the member states' committee of permanent representatives in Brussels and that they will urge the Council of Ministers to allow the programme to go ahead.

It is feared in Britain, however, that despite lobbying by the industry throughout Europe the West German Government will be reluctant to authorise new EEC expenditure at least until after the federal elections later this month.

The textile industry in Britain has been particularly enthusiastic to see joint research established on a European basis as a route to finding new products and processes where advanced countries could keep ahead of low cost suppliers.

CONTRACTS

Marconi obtains radar orders

Two orders for naval missile radars have been placed with **MARCONI RADAR SYSTEMS**, a GEC-Marconi Electronics company. The Royal Navy is purchasing a further batch of Marconi Type 909 radars and has placed its fifth production order for radars for the GWS25/Seawolf anti-missile system. Installed in pairs aboard Type 42 destroyers and command cruisers, the Marconi Type 909 radar is specifically designed as the tracker/illuminator radar for the Royal Navy's Sea Dart missile, which provides fleet defence against missiles, aircraft and surface attack. It can also be used for gun fire direction.

★

An order worth over £1m has been placed by Hamilton Rentals for **TEKTRONIX** computer graphics display products. Hamilton Rentals is intending to offer "off-the-shelf" delivery for the rental of a wide range of Tektronix systems, screens and peripherals.

★

Pumping equipment valued at over £2m has been ordered from **WEIR PUMPS**, a subsidiary of the Weir Group, Glasgow, for two Middle East water supply projects. One order, from the City of Dubai Water Authority, is for 10 pumps and drive motors for two booster stations forming part of the system for distributing water from the giant aluminium smelter, power and water complex being built for the Dubai Aluminium Company at Jebel Ali, Dubai. The second order is for 20 pumps, with motors and associated equipment, for the two main pumping stations on the pipeline being built by the Hyundai Construction Company to deliver water from desalination plants at Abu Dhabi to the new computer-controlled distribution network of the Abu Dhabi Water and Electricity Department at Al Ain.

★

GEC MECHANICAL HANDLING has been awarded two orders totalling about £600,000 by Courtaulds to supply equipment for the viscose modernisation project at the Greenfield Works, North Wales. The equipment is to be used in the manufacture of man-made fibres and includes two sets of bale handling equipment each comprising two slat conveyors and an elevator with automatic feed and discharge equipment. This arrangement allows for bales to be transferred, de-wired, elevated and discharged into pulpers.

★

Wades Departmental Stores, the Sheffield-based furniture retail chain, part of the Associated Dairies Group, has placed an order with Honeywell for a new-technology DPS 8/20 large computer. Replacing an ICL 2904, the Honeywell computer will cater for the future data processing needs of both Wades and the Williams furniture chain whose operations are being combined under the Wades banner as part of a re-organisation of the Group's furnishing operations. Together these two organisations have some 80 retail stores throughout the country. Total contract value is £400,000.

★

The Ministry of Defence has awarded contracts to **MASSEY FERGUSON** for the supply of aircraft tugs worth about £2m. These units, which will be in two model sizes, feature Perkins diesel engines of 45 and 60 hp and MF torque converter transmissions. Designed and manufactured in conjunction with H. Cameron Gardner of Stroud, Gloucestershire, the aircraft tugs will be delivered over the next 18 months from UK production.

★

A. H. BALL & CO. Farnham, has been awarded two sections of a major water distribution scheme valued at £650,000. The project involves provision of a bulk supply of treated water by North Surrey Water Company from Egham to a new reservoir being constructed by Mid-Southern Water Company at

★

The first UK order for the **BURROUGHS B5900** computer system has been placed by Software Sciences for the Merseyside Police Command and Control System. Scheduled for delivery to the Merseyside Police at the end of 1981, the system will be delivered to Software Sciences early in the year for systems development and engineering. The order is valued at about £600,000.

★

A contract worth about £236,000, which includes site development works, has been awarded to J. Jarvis and Sons of Sale, Cheshire, for work on an advance factory of 900 sq metres for the Department of Industry at Bennett Street, Ardwick, Manchester.

WEEK'S FINANCIAL DIARY

The following is a record of the principal business and financial engagements during the week. The Board meetings are mainly for the purpose of considering dividends and official indications are not always available whether dividends concerned are interims or finals. The sub-divisions shown below are based mainly on last year's timetable.

TODAY

Regional Properties, The Mayfair Hotel, Berkeley St., W. 12.00

BOARD MEETINGS—

Finals:
Campari Intnl.
Footwear Industry Inv.
Raine Engineering Inds.

Interims:
Allied Plant
Bilton (Percy)
Freemans (London SW9)
Hambro Life Assurance
Minet
Pickles (William)
Silkolene Lubricants

DIVIDEND & INTEREST PAYMENTS—

Abbey 2.53p
Abercom 13cts
American Trust 0.7p
Anglo Intnl. Inv. Tst. 2p
Aquis Securities 0.3p
Bampton Property Ln. 3¼pc
Blagden and Noakes 3p
Braime (T. F. and J. H.) Ord. and A 1.5p
Britannic Assurance 4.9p
British Assets Tst. 0.9p
Broadstone Inv. Tst. 2.2p
Brown (John) 2.5p
Colman (E. Alec) Inv. Db. 4½pc
Crest Nicholson 2p
Davies and Metcalfe Ord. and A N/V 0.45p
Downs Surgical 0.8p
Edinburgh Inv. Tst. Db. 2½pc
Forminster 2.52p
Grand Metropolitan 2.875p
Greenall Whitley Lns. 3½ 4¼pc
Hill and Smith 1p
Hogg Robinson 2.7pc
Kuala Lumpur Kepong Bhd. 1.1746p
Lep Grp. 12.5p
MFI Furniture 1.52p
Meggitt 0.42p
Phoenix Timber 3p
Pratt (F.) Engineering Corp. Ln. 3¾pc
Ratners (Jewellers) 1.63p
Relyon PBWS 1.8p
Rosgill 1.716p
Scottish English and European Textiles 1.9p
Smith (David S.) 4.5p
Southwark 11¼pc Red. 1984-85 5⅝pc
Stavert Zigomala 6.02p
Sunbeam Wolsey 8pcPf. 3.08pc
Ward and Goldstone 4.5p
Whitbread Ln. 4½pc

TOMORROW

Abwood Machine Tools, Royal Victoria and Bull Hotel, Dartford, Kent 12.00
Ashley Industrial Tst., Winchester Hse. London Wall, EC. 11.30
Cook (William) (Sheffield), Parkway Steel Foundry, Parkway Avenue, Sheffield. 12.00

BOARD MEETINGS—

Finals:
Belam
Boulton (William)
Cradley Printing

Interims:
Cape Industries
Cartwright (R.)
Clifford's Dairies
Farnell Electronics
Finlay (James)
Holt Lloyd International
Jerome (S.)
Richards (Leicester)
Sears Holdings
Silentnight

DIVIDEND & INTEREST PAYMENTS—

Agricultural Mortgage Corp. Var. Bds. 1/10/82 £9.5688
Anglo American Coal Corp. 36cts
British Building and Engng. Appliances 2.15p
Ewer (George) 1p
Francis Inds. Ln. 4½pc
Letraset 6.05p
Malaysiam Tin 4p
Marling 0.47p
Regional Properties Ord. and A 1.25p
Smith and Nephew Associated 1.3p

WEDNESDAY, OCTOBER 8

Clark (Matthew), Winchester Hse., 100, Old Broad St., EC. 12.00
McKay Securities, 18, Parkside Knightsbridge, SW. 12.00
Pifco, Winchester Hse., London Wall, EC. 12.00
Victor Products (Wallsend), Middle Engine Lane, West Chirton North Industrial Est., North Shields. 11.45

BOARD MEETINGS—

Finals:
Amstrad Consumer Electronics
BPM
Kent (M.P.)
Lawtex
London and Strathclyde Tst.

Interims:
Amalgamated Power Engineering
Christies Intnl.
Empire Stores (Bradford)
Harris Queensway
Holt (Joseph)
House of Lerose
Hunting Petroleum Services
Laing Properties
Lilleshall
Rockware
Vosper

DIVIDEND & INTEREST PAYMENTS—

Ashley Industrial Tst. 1.8p
Cemben 1.2p
Greycoat Estates 0.32p
Hillard 3p
Holt (Joseph) 2p
Rights and Issues Inv. Tst. Income 1p
Robinson (Thomas) 1p
Victor Products (Wallsend) 2.75p

THURSDAY, OCTOBER 9

Brasway, Penns Hall Hotel, Penns Lane, Walmley, Sutton Coldfield, 2.30
Centreway Tst. The Grand Hotel, Colmore Row, Birmingham. 11.30
Crossfriars Tst., 8, Crosby Square, EC. 11.00
Denbyware Langley Mill, Nottingham. 12.00
Dixons Photographic, 116, Pall Mall, SW. 12.00
Evans and Owen, Albion Chambers, Small Street, Bristol. 9.00
Geller (A. and J.) North British Hotel, George Square, Glasgow. 11.00
Hampton Tst., 116, Pall Mall, SW. 12.00
Herrburger Brooks, Meadow Lane Long Eaton, Nottingham, 12.00
Jarvis (J.), 239, Vauxhall Bridge Road, SW. 11.00
Jones Stroud, The Albany Hotel, Nottingham, 11.55
Malaysia Rubber 1-4, Great Tower St., EC. 12.00
Manson Finance, Grosvenor House Hotel, Park Lane, W 12.00
Reliance Knitwear, Ryburne Mill, Hanson Lane, Halifax. 12.00
Worthington (A. J.), Portland Mills, Leek, Staffs., 11.00

BOARD MEETINGS—

Finals:
Kursaal
Photo-Me Intnl.
Town Centre Securities

Interims:
Atlas Electric and General Tst.
Bentalls
Bowthorpe
Bronx Engineering
Finlan (John)
Green's Economiser
Hewden Stuart Plant
Higgs and Hill
Moss Bros.
United Carriers

DIVIDEND & INTEREST PAYMENTS—

Centreway 6p
Centreway Tst. 6p
Commercial Banking Co. of Sydney 10cts
Corah 1.25p
Hong Kong and Shanghai Banking Corp. 0.18pc
Hoover Ord. and A 4p
McKay Securities 1.35p
Malaysia Rubber 2.5p
Manson Finance Tst. 2p
Pifco Ord. and A 3.2p
Queens Moat Houses 0.55p
Reliance Knitwear 1.56p
Tube Inv. 12.5p
Worthington (A. J.) 0.589p

FRIDAY, OCTOBER 10

AAH, Quaglino's, Bury St., St. James's, SW 12.00
Diploma, Great Eastern Hotel, EC, 12.00
Dixon (David) Dudley House, Upper Albion St., Leeds. 11.30
English Assoc. of American Bond and Share Holders, Salter's Hall, Fore St., EC. 12.30
Erskine House, Winchester Hse., London Wall, EC. 12.00
Heinz (H. J.), Hayes Park, Hayes Middx., 9.00
Longton Industrial, North Stafford Hotel, Station Rd., Stoke-on-Trent 3.00
Press Tools, Sterling Works, Sadler Road, Brownhills, West Midlands, 3.00
Restmor Group, 54, Baker Street, W. 11.30
Second Alliance Tst., Meadow House, 64 Reform St., Dundee. 11.30

BOARD MEETINGS—

Interims:
Associated Book Publishers
England (J. E.)
Firmin
Lesney Products
Scottish Television

DIVIDEND & INTEREST PAYMENTS—

Allen Harvey and Ross 10pc. 4pcPtg.Pf. 0.7pc
Allied Colloids 1.897p
Bestobell 5.15p
British Land 0.25p
Canal-Randolph 16cts $US
Citicorp Overseas Finance Corp. Gtd. Fltg. Rate Notes US$241.78
Concord Rotaflex 0.1p
Cook (William) (Sheffield) 0.7p
Crossfriars Tst. 4p
Distillers 7.75p
Dixons Photographic 2.075p
Erskine House 1.18p
Ewart New Northern (30/4/80) 2.5p. (30/4/81) 1p
Ford (Martin) 0.65p
Hampson Industries 0.525p
Herrburger Brooks 2.52p
Horizon Travel 2.5p
Jones Stroud 3.2p
Ladbroke 6.555p
Le Bas (Edward) 0.963p
Lec Refrigeration 1.485p
London and Gartmore Inv. Tst. 1p
M. and G. Far Eastern and Gen. Fund Income 0.706pc
Magnolia Grp. Mouldings 0.6p
Marchwiel 2.4p
Pearl Assurance 7p
Press Tools 1.75p
Rea Brothers 0.725p
Restmor 3.5p
Scottish Eastern Inv. Tst. Db. 3½pc
Steetley 4p. 4½pcPf. 1.575pc
Thurgar Bardex 0.3p

Link House Publications

Successful first year as a public company

Mr. G. C. Burt, Chairman, reports:
Profits before tax £4.2 million–up 38.7%
Turnover £21.8 million–up 19.9%
Earnings per share 16.55p–up 40%
Dividend per share 8.4p–20% above forecast

Exchange and Mart Publishing Division completed another successful year. Its 'all-advertising' periodicals tend to be least susceptible to recessionary influences.

Link House Magazine Division experienced less buoyant conditions, but performance was ahead of the previous year.

Blandford Books suffered in common with the book publishing industry in general.

Link House Communications is investing in the development of electronic publishing and information systems. The division is also participating in West Country Television, a consortium applying for the independent franchise currently held by Westward Television.

PROSPECTS Trading in the first two months of the current financial year has commenced at a satisfactory level. Despite the present economic uncertainties, and unless the situation worsens significantly, the directors would expect growth to continue, albeit at a reduced rate. With its strong cash reserves, the Group is in a position to take advantage of any investment opportunities which could arise.

For a copy of the Annual Report please write to The Secretary, Link House Publications Limited, Robert Rogers House, New Orchard, Poole, Dorset, BH15 1LU.

Exchange & Mart — Do it yourself

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The Council of The Stock Exchange has admitted to the Official List the abovementioned options.

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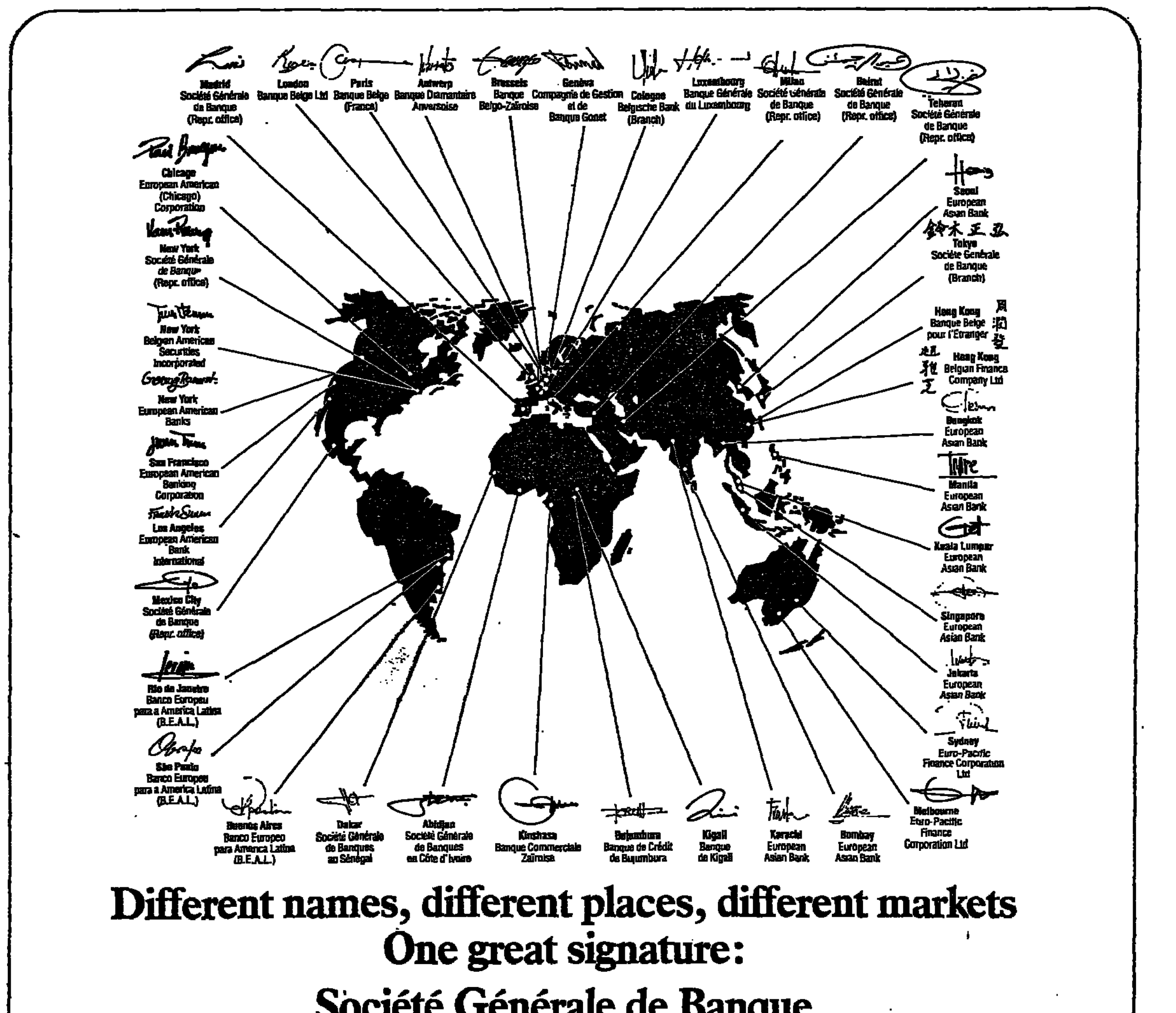
6 October 1980



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FT Monthly Survey of Business Opinion

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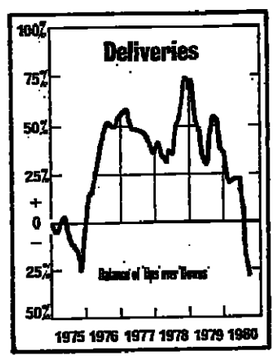
GENERAL OUTLOOK

Indicator at low level

THERE HAS been little change in the degree of pessimism which businessmen have about the general economic situation in the UK. Consequently, the general business confidence indicator is now at the lowest level it has been at since early in 1974, during the three-day week.

The index of recent deliveries has continued its rapid fall. It is now almost as low as the trough reached in January 1976. All three of the sectors interviewed in this survey—electrical engineering, consumer durables, and stores and consumer service companies—were more inclined to report reductions in deliveries than last May. This time 20 of the 30 companies said deliveries were down, against only nine companies in May.



The most heartening news in the survey comes in the area of export prospects, with all three sectors more hopeful of increasing their exports over the next year. Last May attitudes had been particularly negative. Many respondents found the home market so depressing that they were prepared to cut export prices and profit margins to maintain output levels.

GENERAL BUSINESS

Are you more or less optimistic about your company's prospects than you were four months ago?	4 monthly moving total June-Sept. %	May-Aug. %	Apr.-July %	Mar.-June %	September 1980 Elect. Eng'g. %	Mtr. vehicle Cmpnts. & Dis'btrs. %	Stores Cnsmr. Service %
More optimistic	16	15	22	23	12	40	25
Neutral	25	27	33	35	44	4	35
Less optimistic	59	58	45	42	44	56	40

EXPORT PROSPECTS (Weighted by exports)

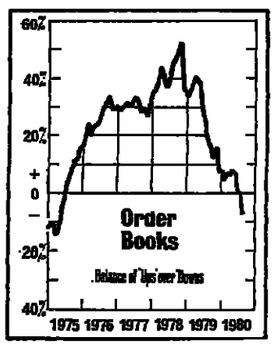
Over the next 12 months exports will be:	4 monthly moving total June-Sept. %	May-Aug. %	Apr.-July %	Mar.-June %	September 1980 Elect. Eng'g. %	Mtr. vehicle Cmpnts. & Dis'btrs. %	Stores Cnsmr. Service %
Higher	50	48	48	49	64	50	20
Same	27	21	20	18	26	29	47
Lower	21	29	30	30	10	21	29
Don't know	2	2	2	3	—	—	4

ORDERS AND OUTPUT

Sharp decline continues

THE DEEPENING recession continues to show up clearly in falling demand and output. The index of new orders has continued to decline sharply and now stands lower than at any time since October 1975 to February 1976. All sectors covered were more inclined to report reduced order levels than last May.

Order books for all sectors also show some decline, and the indicator has started to move downwards again.



In the area of production/sales turnover all three industry groups expected smaller median increases in turnover over the next 12 months. A number of companies expected turnover increases because of expansion overseas or acquisitions, but one based its forecast on the launch of new models.

One firm in the durables group thought that the next 12 months would be bleak unless Government policy changed.

NEW ORDERS

The trend of new orders in the last 4 months was:	4 monthly moving total June-Sept. %	May-Aug. %	Apr.-July %	Mar.-June %	September 1980 Elect. Eng'g. %	Mtr. vehicle Cmpnts. & Dis'btrs. %	Stores Cnsmr. Service %
Up	18	25	29	32	20	22	17
Same	15	13	15	18	20	3	30
Down	48	39	29	20	58	58	51
No answer	19	23	27	30	2	17	2

PRODUCTION/SALES TURNOVER

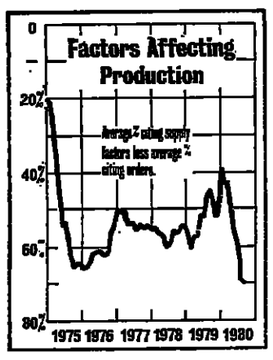
Those expecting production/sales turnover in the next 12 months to:	4 monthly moving total June-Sept. %	May-Aug. %	Apr.-July %	Mar.-June %	September 1980 Elect. Eng'g. %	Mtr. vehicle Cmpnts. & Dis'btrs. %	Stores Cnsmr. Service %
Rise over 20%	3	3	3	3	—	—	17
Rise 15-19%	2	1	5	4	—	18	4
Rise 10-14%	5	3	2	4	30	—	4
Rise 5-9%	10	9	12	21	10	36	9
About the same	64	64	64	57	56	39	58
Fall 5-9%	5	6	4	1	4	—	—
Fall over 10%	6	6	3	3	—	4	4
No comment	5	8	7	7	—	3	4

CAPACITY AND STOCKS

Uncertainty increases

ALL THREE sectors were more inclined to say that they were working at below planned output levels, and the index has continued to fall. Uncertainty has also continued to rise. Fifteen out of the 30 companies said that they only felt able to plan output levels for three months or less, compared with five companies saying so in May.

Companies continue to mention new factors as affecting output levels, apart from demand. There are some signs that companies are finding that the cost of finance is beginning to impact output.



Despite the high level of unemployment, one electrical engineering firm said that some grades of skilled factory staff were still hard to find, and in durables the same was said of trade mechanics.

All of the sectors were more inclined to say that stock levels were too high than had been the case in the May survey.

The two consumer oriented sectors, durables and stores and consumer service companies, tended to expect all types of stock to fall over the next 12 months.

CAPACITY WORKING

	4 monthly moving total June-Sept. %	May-Aug. %	Apr.-July %	Mar.-June %	September 1980 Elect. Eng'g. %	Mtr. vehicle Cmpnts. & Dis'btrs. %	Stores Cnsmr. Service %
Above target capacity	4	5	6	6	—	—	—
Planned output	34	39	50	62	44	43	34
Below target capacity	59	55	43	31	56	57	49
No answer	3	1	1	1	—	—	17

STOCKS

Raw materials and components over the next 12 months will:	4 monthly moving total June-Sept. %	May-Aug. %	Apr.-July %	Mar.-June %	September 1980 Elect. Eng'g. %	Mtr. vehicle Cmpnts. & Dis'btrs. %	Stores Cnsmr. Service %
Increase	12	20	29	31	10	—	9
Stay about the same	56	51	45	40	58	61	51
Decrease	29	25	21	25	32	39	35
No comment	3	4	5	4	—	—	5
Manufactured goods over the next 12 months will:							
Increase	7	13	20	19	32	—	13
Stay about the same	46	44	46	46	4	40	64
Decrease	21	17	13	19	40	48	17
No comment	26	26	21	16	24	12	6

FACTORS CURRENTLY AFFECTING PRODUCTION

	4 monthly moving total June-Sept. %	May-Aug. %	Apr.-July %	Mar.-June %	September 1980 Elect. Eng'g. %	Mtr. vehicle Cmpnts. & Dis'btrs. %	Stores Cnsmr. Service %
Home orders	95	91	87	85	100	100	100
Export orders	55	56	49	48	83	96	17
Executive staff	1	2	4	9	—	—	4
Skilled factory staff	8	8	9	15	20	36	2
Raw materials	6	6	9	15	—	18	4
Production capacity (plant)	8	8	7	9	—	—	13
Finance	6	5	3	1	—	22	4
Others	4	2	4	8	—	43	—
Labour disputes	8	10	8	16	—	—	4
No answer/no factor	3	5	9	8	—	—	—

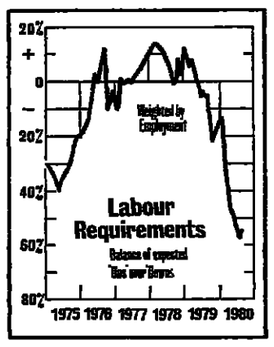
INVESTMENT AND LABOUR

Lack of demand hits recruiting

WHILE ALL sectors tend to expect that labour forces will fall over the next 12 months, the stores and consumer services group is not quite so pessimistic as it had been last May. In contrast, the vehicles and durables sector is more pessimistic than at the time of the last survey.

Virtually all the respondents said that lack of present or expected demand was discouraging them from increasing labour forces.

None of the companies in the vehicles and durables group expected capital expenditure to increase over the next 12 months in value, let alone volume terms, and the other two sectors also showed a greater reluctance to increase capital spending. The index is now approaching the point at which as many companies say they expect their expenditure to fall as those which expect it to rise.



Specific projects mentioned include a new refinery, new tooling, automatic assembly machines, a new development in video equipment and a new factory extension in electrical engineering. In the durables sector there were references to plant improvement to reduce costs, a new machine, body tooling and a new plant.

LABOUR REQUIREMENTS (Weighted by employment)

Those expecting their labour force over the next 12 months to:	4 monthly moving total June-Sept. %	May-Aug. %	Apr.-July %	Mar.-June %	September 1980 Elect. Eng'g. %	Mtr. vehicle Cmpnts. & Dis'btrs. %	Stores Cnsmr. Service %
Increase	6	8	8	6	6	—	12
Stay about the same	32	26	30	36	36	9	48
Decrease	60	65	61	55	58	91	40
No comment	2	1	1	3	—	—	—

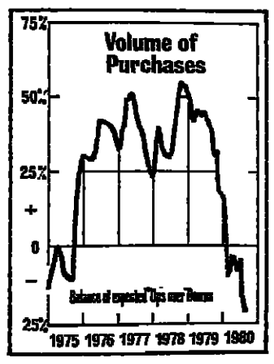
CAPITAL INVESTMENT (Weighted by Capital Expenditure)

Those expecting capital expenditure over the next 12 months to:	4 monthly moving total June-Sept. %	May-Aug. %	Apr.-July %	Mar.-June %	September 1980 Elect. Eng'g. %	Mtr. vehicle Cmpnts. & Dis'btrs. %	Stores Cnsmr. Service %
Increase in volume	26	30	29	31	57	—	26
Increase in value but not volume	10	14	18	18	—	—	—
Stay about the same	23	18	17	16	1	38	70
Decrease	33	33	32	34	30	27	4
No comment	8	5	4	1	12	35	—

COST AND PROFIT MARGINS

Smaller pay rises expected

ALL SECTORS expect smaller increases in wages than in last May's survey. They are still some way from single figure increases since only two companies expected hourly wages to rise by less than 10 per cent, but a total of 21 out of the 30 expected rises to be less than 15 per cent. This compares with only two firms giving this answer last May. The result is that the index for the median expected increase in wages has fallen sharply from 16.5 per cent to 14.8 per cent.



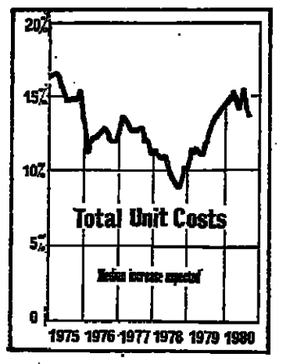
All sectors expected smaller increases in unit costs than they had in May. The prospects for single figure cost inflation are rather better rated than those for wages, with nine companies choosing this option against only two in the May survey.

Both the electrical engineering and durables sectors were more inclined to expect profit margins to fall than they had been in May. However, this was offset by less gloomy expectations on the part of the stores and consumer services sector.

The business opinion survey is carried out for the Financial Times by the Taylor Nelson Group and is based upon interviews with senior executives.

Three sectors and some 30 companies are covered each month in turn. They are drawn from a sample based upon the FT Actuaries index which accounts for about 60 per cent of all public companies.

The all-industry figures are four monthly moving totals covering 120 companies in 11 industrial sectors (mechanical engineering is surveyed every second month).



Complete tables can be purchased from Taylor, Nelson and Associates, 457 Kingston Road, Ewell, Epsom, Surrey.

COSTS

Wage rise by:	4 monthly moving total June-Sept. %	May-Aug. %	Apr.-July %	Mar.-June %	September 1980 Elect. Eng'g. %	Mtr. vehicle Cmpnts. & Dis'btrs. %	Stores Cnsmr. Service %
5-9%	6	4	—	—	20	8	—
10-14%	42	28	20	13	70	88	54
15-19%	35	47	62	66	—	4	17
20-24%	10	13	11	15	10	—	4
No answer	7	8	7	6	—	—	25
Unit cost rise by:							
0-4%	2	1	—	4	20	—	—
5-9%	16	8	6	4	40	22	36
10-14%	31	39	38	30	30	57	17
15-19%	32	35	38	42	10	—	17
20-24%	2	3	3	5	—	—	—
Same	1	—	—	—	—	18	—
Decrease	1	1	—	—	—	—	—
No answer	15	13	15	15	—	3	30

PROFIT MARGINS

Those expecting profit margins over the next 12 months to:	4 monthly moving total June-Sept. %	May-Aug. %	Apr.-July %	Mar.-June %	September 1980 Elect. Eng'g. %	Mtr. vehicle Cmpnts. & Dis'btrs. %	Stores Cnsmr. Service %
Improve	19	19	28	42	30	18	17
Remain the same	38	38	30	27	44	7	56
Contract	37	36	35	28	26	71	27
No comment	6	7	7	3	—	4	—

PLANT & MACHINERY SALES

1) ROLLING MILLS
12.5in x 24in x 21in wide 350 hp Four High Mill
12in x 30in x 25in wide 400 hp Four High Reversing Mill
5in x 12in x 10in wide variable speed Four High Mill
3.5in x 8in x 9in wide variable speed Four High Mill
10in x 16in wide fixed speed Two High Mill
10in x 12in wide fixed speed Two High Mill
6in x 16in x 20in wide Four High Mill
150 x 100 mm x 15 hp Two High Tape Rolling Mill
110 x 100 mm x 10 hp Two High Tape Rolling Mill

2) WIRE FLATTENING AND NARROW STRIP ROLLING MILL
Two stand by RWF 10in x 8in rolls by 75hp Rolls

3) DECOIL AND CUT/LENGTH LINES
1830 mm x 4.5 mm / 12.5 mm x 25 Ton Coil
1500 mm x 0.5 mm / 3.2 mm x 15 Ton Coil
1500 mm x 0.5 mm / 3.2 mm x 10 Ton Coil
1100 mm x 2 mm / 8 mm x 5 Ton Coil
1200 mm x 0.5 mm / 2 mm x 5 Ton Coil
750 mm x 1 mm / 3 mm x 5 Ton Coil
400 mm x 0.5 mm / 3 mm x 2 Ton Coil

4) SLITTING LINES
1220 mm x 3 mm x 5 Ton Coil
920 mm x 5 mm x 10 Ton Coil
920 mm x 2 mm x 2 Ton Coil
300 mm x 1.5mm x 1 Ton Coil
36in and 48in Sheet Slitters

5) WIRE DRAWING MACHINES
6 Block, in line, variable speed (560 mm dia x 25 hp DC)
9 Block, non-slip cumulative (610 mm dia x 25 hp AC)
8 Block, non-slip cumulative (560 mm dia x 25 hp AC)
6 Block, non-slip cumulative (356 mm dia x 1.5 hp AC)
Horizontal Drawblock variable speed (915 mm dia x 75 hp DC)
Horizontal Drawblock variable speed (456 mm dia x 15 hp DC)
Vertical Drawblock (2) variable speed (610 mm dia x 25 hp DC)
13 and 15 Die Cone Type & Spooler, 4500 ft/min (2 machines)
9 Die Cone tipe and finishing block, 750 ft/min

6) SHEARS AND GUILLOTINES
1220 mm x 25 mm Cincinatti Plate Shear
510 mm x 16 mm/50 mm x 50 mm FELS Scrap Shear
2.5 m x 3 mm high speed mechanical Guillotine, Keetona

7) SHEET LEVELLING ROLLS 920, 1150 and 1850 mm wide
8) HYDRAULIC SCRAP BALING PRESS, Fielding and Platt
9) FORGING HAMMER 3 cwt. slide type, Massey
10) AUTOMATIC COLD SAW, non-ferrous. Noble and Lund
11) ROTARY SWAGING MACHINE, 25 mm capacity
12) ROTARY SWAGING MACHINE, 25 mm capacity
13) 28in COLD SAW, Noble and Lund
14) ROD STRAIGHTEN, Cut to-Length Lines 6 mm and 16 mm
15) BAR REELING MACHINE, two Roll, PLAIT size one and two

WEDNESBURY MACHINE CO. LTD.
Oxford Street, Bilston
Tel: 0902 42541/2/3 - Telex: 336414

WICKMAN 6 SP AUTOMATIC 1¾" rebuilt to maker's limits
WICKMAN 6 SP AUTOMATIC 1¾" rebuilt to maker's limits
WICKMAN 6 SP AUTOMATIC 2⅝" recon. to maker's limits
200 TON HYDRAULIC PRESSES
200 TON MECHANICAL PRESS 8in stroke, as new
WEIDEMANN 75 TON TURRET PRESS capacity 120in x 60in x quarter-inch thick 32-station
ROLLING MILL 11in x 11in wide Two High reconditioned
MALMEDIE 4-station COLD HEADER QPB8 excellent
MATRIX THREAD GRINDERS
CINCINNATI 3 CENTRELESS GRINDER with 17in wide grinding wheel.

ROLLS TOOLS LTD.
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Tel: 01-928 3131 - Telex: 261771

COMPANY NOTICES

IMPALA PLATINUM HOLDINGS LIMITED
(Incorporated in the Republic of South Africa)
The annual general meeting of the above company will be held in the board room, Union Corporation Building, 74-78 Marshall Street, Johannesburg, on Tuesday, 11 November, 1980.
per pro. GENERAL MINING UNION CORPORATION (UK) LTD.
London Secretaries
L. J. Baines.
30 Ely Place,
London EC1N 6UA.
6 October, 1980.

CANADIAN PACIFIC LIMITED
(Incorporated in Canada)
ONTARIO & QUEBEC RAILWAY COMPANY
5% DEBENTURE STOCK
In preparation for the payment of the half-yearly interest payable on December 1 next, the Debenture Stock Transfer Books will be closed at 3.30 p.m. on October 31 and will be re-opened on December 2, 1980.
W. E. REEVE,
Deputy Secretary.
50 Finsbury Square,
London EC2A 1DD.
October 6, 1980.

DIAMONDS FOR INVESTMENT
Diamond Selection Ltd. offer loose-cut and polished diamonds for investment. The following is a cross section of prices from their range as at 1st October, 1980:
Based on $ rate 2.18

DSL Grade	Price in £ per Carat
120/4/156	11147
120/10/146	8587
160/10/136	9037
200/25/126	7706
275/25/116	7018
350/50/106	5734
425/50/96	5505
500/150/86	3302
750/299/76	2339
1000/399/66	2016
1500/999/56	1422
2500/999/45	780

Diamonds in the range we recommend for investment have appreciated by approximately 600% since July, 1969.
DSL grade is made up as follows:—
Colour/Clarity/Carat
eg. 120 4 156
Make is always goodivery good.
All stones are graded at Diamond Grading Laboratories using their unique measuring equipment. We also hold regular seminars and teach-ins.
Price guide and brochure with procedure for buying and selling graded and certified diamonds are available from:
DIAMOND SELECTION LIMITED
Petersham House, 57a, Hatton Garden, London EC1N 8JD. Tel: 01-405 8045.

DAIWA SEIKO INC.
NOTICE TO EDR HOLDERS
This is to notify EDR Holders that at a meeting held by the Board of Directors of the Company, it was recommended that a dividend of Yen 3.75 per share, corresponding to an annual dividend rate of 15 per cent should be paid to all EDR Holders on record as at 31st July, 1980, upon presentation of Coupon No. 8 on or after 31st October, 1980. The General Meeting of the Shareholders will be held on the 30th October, 1980 to approve the recommendation.
ROBERT FLEMING & CO. LIMITED
Depositary.
London,
1st October, 1980.

PERSONAL

And now for something completely different.
A Prima luxury fitted kitchen.
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LEGAL NOTICES

Company No. 878738
Registered in England
IN THE MATTER OF
THE COMPANIES ACTS, 1948 TO 1967
AND IN THE MATTER OF
R. AND E. WYON BUILDERS LIMITED
Registered Office and Business Address:
16 Church Street, Fen Ditton,
Cambridge CB5 8SU
NOTICE IS HEREBY GIVEN pursuant to Section 293 of the Companies Act, 1948, that a MEETING of the CREDITORS of the above-named Company will be held at Guildhall House, 81/87 Gresham Street, London, E.C.2, on 9th October, 1980, at 12 noon, for the purpose mentioned in Section 294 et seq of the said Act.
Dated this 18th day of September, 1980.
By Order of the Board,
E. R. WYON, Director.

INVEST IN 50,000 BETTER TOMORROWS
50,000 people in the United Kingdom suffer from progressively paralysing MULTIPLE SCLEROSIS — the cause and cure of which are still unknown — HELP US BRING THEM RELIEF AND HOPE.
We need your donation to enable us to continue our work for the CARE and WELFARE OF MULTIPLE SCLEROSIS sufferers and to continue our commitment to find the cause and cure of MULTIPLE SCLEROSIS through MEDICAL RESEARCH.
Please help — Send a donation today to:
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The Multiple Sclerosis Society of G.B. and N.I.
286 Munster Road
Fulham, London SW6 6BE

INSURANCE

Exporters given greater backing

BY OUR INSURANCE CORRESPONDENT

THE PROVISION of commercial credit guarantees, the transaction of credit insurance, is for most insurance men and women a completely unknown aspect of British insurance operations—principally because most of the business is in the hands of two specialist insurers, Trade Indemnity and Credit and Guarantee Inurance.

Even more esoteric is the provision of export credit insurance, which is largely in the hands of the Export Credit Guarantee Department.

Firm figures are hard to come by, but it is reckoned that rather less than 10 per cent of internal UK turnover is backed by credit insurance, compared with perhaps 35 per cent of UK exports.

So there is plenty of room for the specialists to expand their operations both internally and in the export field, and CGI has just begun marketing a new contract which should increase its participation in the export credit field.

The new CGI guarantee entitles the overseas customer to claim compensation for loss suffered as the result of the exporter's breach of contract. The guarantee applies not to all losses that the customer sustains but those losses which flow directly and naturally from the breach—in other words those losses on which he is entitled to damages by due process of law.

The exporter can use the new CGI guarantee as a sales aid, offering its protection to his customer at the stage in the negotiations that he judges suitable.

The exporter who has long established relations with a particular customer can offer the guarantee as extra backing to his known ability, and the exporter who is seeking new customers can use the guarantee as a marketing aid, as an inducement to do business.

Both can point to the availability of the guarantee as an indication of financial viability and ability to meet contractual liabilities.

Because the guarantee is written in wide terms, with few conditions, underwriting must be stringent, and the exporter who wants CGI's backing must put all his trading cards on CGI's table for detailed examination.

Provided he passes this scrutiny, the exporter then pays a premium on the amount of the guarantee arranged. The rate is usually in the range of ½ per sent to 3 per cent per year, the precise figure depending on insurers' assessment of the exporters' financial and commercial status, and the duration of insurers' potential liability.

Though it is easier to explain the guarantee in terms of exporter and particular customer, CGI is also prepared to provide guarantees on a world wide basis, for all customers, or on a selected markets basis, for some specified customers.

The size of the particular guarantee must depend on the nature of the exporter's business, on the kind of goods he is selling.

CGI reckon that in most instances the guarantee should be for a minimum of 25 per cent of the contract value, but warn that any guarantee must be sufficient to be "meaningful to the customer and realistic to the nature of the contractual obligation and potential consequential loss."

Because the new guarantee is tailor-made to the individual exporter's needs, CGI is prepared to help the exporter with publicity, and with the printing of the guarantee in the appropriate language of the overseas customer. Here the exporter must expect to pay CGI for its services in addition to the premium payable — and this premium, whatever the rate deemed appropriate, will be a minimum of £1,000 a year.

The guarantee lays down rules which the customer must observe when he claims, including the kind of evidence of loss he must provide, and makes it clear that the customer must take "all reasonable and prudent steps" to mitigate loss.

And there are a few exclusions. For example, insurers do not pay if the customer is in any way in breach of his contract with the exporter, or if the customer assigns his rights under the guarantee without insurers' consent.

APPOINTMENTS

Senior posts at Coventry Climax

Mr. R. P. Lister has been appointed deputy chairman of COVENTRY CLIMAX and he has been succeeded as managing director by Mr. G. Simpson. Mr. B. Childs has been made sales and marketing director on the Board.

The company is part of BL Commercial Vehicles and the managing director of that concern, Mr. J. D. Abell, continues as chairman of Coventry Climax.

Mr. Simpson was formerly finance and systems director of the heavy vehicle division of Leyland Vehicles, a member company. He has been at BL for 11 years.

★

Mr. Tony E. Keeler, a director of LOMBARD NORTH CENTRAL, has assumed responsibility for financial control.

★

Re-organisation at Mixconcrete

MIXCONCRETE (HOLDINGS) states that Mr. J. H. Mackaness will retire as a director on reaching the age of 65 on October 11. In order to ensure a smooth transition for his successor, and to coincide with the appointments to the Board, Mr. Mackaness has already resigned as chairman. He has been succeeded by Mr. John Darnell who will combine the office of chairman with that of managing director. Mr. Mackaness remains a consultant and has been made life president in view of his contribution in founding the company. The following new directors have been appointed:—Mr. I. S. Lauder, who is chief executive of the contracting and plant divisions, Mr. James Mackaness, a non-executive director, and Mr. F. S. C. Manson, chief executive of the quarries division.

★

Mr. J. H. G. Hensman, general manager and secretary of PRINCIPALITY BUILDING SOCIETY has been appointed an executive director.

★

The NATIONAL FREIGHT COMPANY has reorganised its finance function to fall in line with the requirements of a limited company. Mr. J. C. H. Mellor, formerly group financial controller of British Road Services has been appointed to the new post of corporate treasurer. Mr. A. J. Morrish, formerly chief accountant of NFC, has been appointed corporate chief accountant and Mr. R. H. Gerlach, formerly finance director of Tempco International, has been appointed financial controller. They will all report to the National Freight Company's finance director, Mr. J. K. Watson.

★

THE COMP-AIR GROUP has made the following appointments. Mr. P. R. Fyson, while remaining on the Board of Comp-Air Limited, becomes managing director of CompAir International. He succeeds Mr. A. H. Hounsell, who retires on October 10. Mr. B. W. Higgins joins CompAir Limited as group director of materials management.

★

Mr. Clive Campion has been appointed a director of Electronic Rentals Group with specific responsibility for accounting.

★

SHORTS has appointed three new directors to the main Board: Sir Sidney Bacon, who, until January 1979, was managing director of the Royal Ordnance Factories, and is a past president of the Institution of Production Engineers, joins the main Board as a non-executive director. Mr. R. W. R. McNulty and Mr. A. S. C. Roberts, also join the main Board as executive directors. Mr. M. I. Wild will join the management Board as an executive director

★

Mr. H. W. Jackson, commercial director, and Mr. D. H. Roberts, director of research, have been appointed associate directors of THE GENERAL ELECTRIC COMPANY.

★

W. L. PAWSON AND SON has appointed Mr. David Thompson and Mr. Brian A. Tinant to the main Board. Mr. Thompson is the company secretary and Mr. Tinant the commercial director.

★

Mr. P. B. Armitage has joined CREDIT AND COMMERCE as managing director.

★

GILTSPUR BULLENS SHIPPING has appointed Mr. Charles Kay managing director. Mr. Kay retains his position as managing director of the subsidiary Giltspur Bullens Airfreight.

★

Mr. David Wright has been elected to the board of PHOTOMEC (LONDON). Photomec (London) is a wholly owned subsidiary of Humphries Holdings which is part of the BET group.

Sheraton. The fastest-growing of the three luxury hotel chains.

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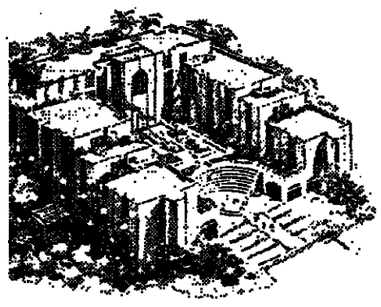
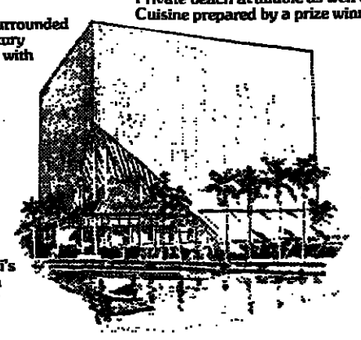


ABU DHABI-SHERATON – A new hotel overlooking the azure waters of the Gulf. Close to shopping district and a 12-mile ride from the airport in the hotel's luxury limousine. Private beach available as well as hotel pool. Cuisine prepared by a prize winning staff.

JEDDAH-SHERATON – Only a few minutes from the airport, this luxurious new 17-storey hotel is within easy reach of Jeddah's commercial centre. Every Sheraton service and facility; satellite-linked phones, poolside barbecue, delightful dining in the gourmet restaurant.

DAMASCUS-SHERATON – Surrounded by magnificent gardens, this luxury hotel combines oriental designs with contemporary comfort. Amenities include swimming pool, tennis courts, shopping arcade and a choice of elegant dining rooms. Each room is beautifully appointed.



DUBAI-SHERATON – Located directly by "The Creek", the hub of Dubai's business world, your first impression is the 7-storey lobby. Perhaps one of Dubai's most exclusive hotels, but a little exclusiveness is never amiss here.

MEDINA-SHERATON – The magnificent meeting place for business travellers. Equipped with the latest audio-visual facilities, we offer truly international luxury and comfort. Finished in Italian marble and furnished with French imports, architecture, decor and food to delight the connoisseur.

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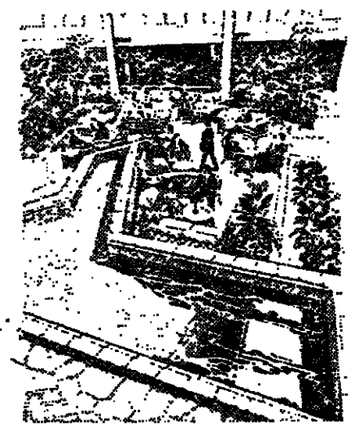

HELIOPOLIS-SHERATON – Its location makes this elegant new hotel ideal for business traveller and tourist alike. A whole host of amenities include swimming-pool, adjacent patio-bar, health club, tennis courts, international food specialities.

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Sheraton
HOTELS & INNS, WORLDWIDE

WORLD VALUE OF THE DOLLAR

Bank of America NT & SA, Economics Department, London

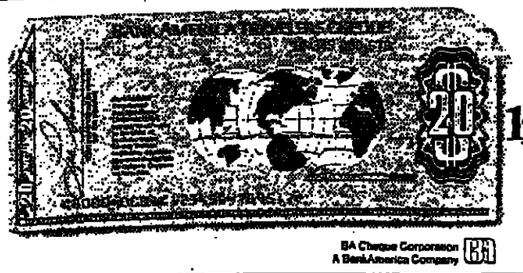
The table below gives the rates of exchange for the U.S. dollar against various currencies as of Wednesday, October 1, 1980. The exchange rates listed are middle rates between buying and selling rates as quoted between banks, unless otherwise indicated. All currencies are quoted in foreign currency units per one U.S. dollar except in certain specified areas. All rates quoted are indicative. They are not based on, and are not intended to be used as a basis for, particular transactions.

Bank of America NT and SA does not undertake to trade in all listed foreign currencies, and neither Bank of America NT and SA nor the Financial Times assume responsibility for errors.

COUNTRY	CURRENCY	VALUE OF DOLLAR
Afghanistan	Afghani (O)	44.00
Albania	Lek	4.2281
Algeria	Dinar	3.8325
Andorra	French Franc	4.1907
	Spanish Peseta	73.855
Angola	Kwanza	27.627
Antigua	E. Caribbean $	2.7025
Argentina	Argentine Peso	1931.50
Australia	Australian $	0.8551
Austria	Schilling	13.7825
Azores	Portug. Escudo	50.09
Bahamas	Bahamian $	1.00
Bahrain	Dinar	0.3778
Balearic Isles	Spanish Peseta	73.855
Bangladesh	Taka	14.7975
Barbados	Barbados $	2.01
Belgium	B. Franc (C)	28.947
	B. Franc (F)	39.055
Belize	Belize $	2.00
Benin	C.F.A. Franc	209.535
Bermuda	Bda $	1.00
Bhutan	Indian Rupee	7.72
Bolivia	Bolivian Peso	25.00
Botswana	Pula	0.7738
Brazil	Cruzeiro	57.49
Brit. Virgin Isles	U.S. $	1.00
Brunei	Brunei $	2.105
Bulgaria	Lev	0.879
Burma	Kyat	6.7871
Burundi	Burundi Franc	90.00
Cameroun Repub'c	C.F.A. Franc	209.535
Canada	Canadian $	1.17
Canary Islands	Spanish Peseta	73.855
Cape Verde Isle	Cape V. Escudo	36.51
Cayman Islands	Cay. Is. $	0.835
Cent. Af. Rep.	C.F.A. Franc	209.535
Chad	C.F.A. Franc	209.535
Chile	Chilean Peso (O)	39.00
China	Renminbi Yuan	1.4907
Colombia	Col. Peso (O)	48.82
Comoros Islands	C.F.A. Franc	209.535
Congo (Brazaville)	C.F.A. Franc	209.535
Costa Rica	Colon	8.67
Cuba	Cuban Peso	0.707
Cyprus	Cyprus Pound	0.3513
Czechoslovakia	Koruna (O)	5.50
Dem. Rep. S'oTome & Principe	S. Tome Dobra	34.3635
Denmark	Danish Krone	5.572
Djibouti Rp. of	Djibouti Franc	173.727
Dominica	E. Caribbean $	2.7025
Dominican Repub.	Domin'cn Peso	1.00
Ecuador	Sucre	28.10
Egypt	Pound (3)	0.69
El Salvador	Colon	2.50
Equatorial Guinea	Ekuele	73.855
Ethiopia	Birr (O)	2.0855
Faroe Islands	Danish Krone	5.572
Falkland Islands	Falkland Is. £*	2.3888
Fiji Islands	Fiji $	0.7975
Finland	Markka	3.6595
France	French Franc	4.1907
French O'ty in Af.	C.F.A. Franc	209.535
French Guiana	Local Franc	4.1907
French Pacific Is.	C.F.P. Franc	74.5144
Gabon	C.F.A. Franc	209.535
Gambia	Dalasi	1.6745
Germany (East)	Ostmark (O)	1.8055
Germany (West)	Deutschemark	1.8055
Ghana	Cedi	2.75
Gibraltar	Pound*	2.3888
Gilbert Is.	Kiribati	0.8551
Greece	Drachma	42.825
Greenland	Danish Krone	5.572
Grenada	E. Caribbean $	2.7025
Guadeloupe	Local Franc	4.1907
Guam	U.S. $	1.00
Guatemala	Quetzal	1.00
Guinea Bissau	Peso	33.4142
Guinea Republic	Syli	18.7464
Guyana	Guyanese $	2.5517
Haiti	Gourde	5.00
Honduras Repub	Lempira	2.00
Hong Kong	H.K. $	4.999
Hungary	Forint (O)	32.6022
Iceland	I. Krona	526.10
India	Ind. Rupee	7.72
Indonesia	Rupiah	625.00
Iran	Rial	70.00
Iraq	Iraq Dinar	0.2953
Irish Republic	Irish Punt*	2.0298
Israel	Israeli Pound (4)	58.44
Italy	Lira	866.15
Ivory Coast	C.F.A. Franc	209.535
Jamaica	Jamaican Dollar	1.7835
Japan	Yen	208.15
Jordan	Jordan Dinar	0.2953
Kampuchea	Riel	n.a.
Kenya	Kenya Shilling	7.356
Korea (Nth)	Won	0.94
Korea (Sth)	Won	622.10
Kuwait	Kuwait Dinar	0.2672
Lao P'pls D. Rep	Kip of Lib.	16.00
Lebanon	Lebanese Pound	3.44
Lesotho	Loti	0.7532
Liberia	Liberian $	1.00
Libya	Libyan Dinar	0.2961
Liechtenstein	Swiss Franc	1.646
Luxembourg	Lux Franc	28.947
Macao	Pataca	5.305
Madagascar D. R.	MG Franc	209.535
Madeira	PortugueseEscudo	50.09
Malawi	Kwacha	0.7981
Malaysia	Ringgit	2.1305
Maldive Islands	Mal Rupee	8.95
Mali Republic	Mali Franc	419.07
Malta	Maltese Pound	0.3416
Martinique	Local Franc	4.1907
Mauritania	Ouguiya	41.907
Mauritius	M. Rupee	7.5942
Mexico	Mexican Peso	22.99
Miquelon	French Franc	4.1907
Monaco	French Franc	4.1907
Mongolia	Tugrik (O)	3.3555
Montserrat	E. Caribbean $	2.7025
Morocco	Dirham	8.95
Mozambique	Moz. Escudo	28.2987
Namibia	Rand	0.7532
Nauru Is.	Aust. $	0.8551
Nepal	Nepalese Rupee	12.00
Netherlands	Dutch Guilder	1.9622
NetherlandAntilles	Antillian Guild	1.80
New Zealand	NZ $	1.0215
Nicaragua	Cordoba	10.00
Niger Republic	C.F.A. Franc	209.535
Nigeria	Naira (O)	0.5443
Norway	Norw'g Krone	4.8575
Oman, Sultanate of	Rial Omani	0.3456
Pakistan	Pkst. Rupee	9.91
Panama	Balboa	1.00
Papua N.G.	Kina	0.6527
Paraguay	Guarani	137.30
Peoples D. Repub. of Yemen	S. Yemen Dinar	0.3415
Peru	Sol	307.97
Philippines	Ph. Peso	7.5745
Pitcairn Islands	NZ $	1.0215
Poland	Zloty (O)	31.00
Portugal	Port. Escudo	50.09
Port Timor	Timor Escudo	n.a
Puerto Rico	U.S. $	1.00
Qatar	Qatar Ryal	3.678
Reunion Ile de la	French Franc	4.1907
Romania	Leu	4.47
Rwanda	Rwanda Franc	92.84
St. Christopher	E. Caribbean $	2.7025
St. Helena	Pound*	2.3888
St. Lucia	E. Caribbean $	2.7025
St. Pierre	Fr Franc	4.1907
St. Vincent	E. Caribbean $	2.7025
Samoa American	U.S. $	1.00
San Marino	Italian Lira	866.15
Saudi Arabia	Saudi Riyal	3.3184
Senegal	C.F.A. Franc	209.535
Seychelles	S. Rupee	5.5802
Sierra Leone	Leone	0.8372
Singapore	Singapore $	2.105
Solomon Islands	S.I. $	0.8551
Somali Republic	Som. Shilling	6.0241
South Africa	Rand	0.7532
Spain	Peseta.	73.855
Spanish Ports in North Africa	Sp. Peseta	73.855
Sri Lanka	S. L. Rupee	16.92
Sudan Republic	Pound (2)	0.50
Sudan Republic	Pound (1)	0.80
Surinam	S. Guilder	1.80
Swaziland	Lilangeni	0.7532
Sweden	S. Krona	4.1535
Switzerland	Swiss Franc	1.646
Syria	Syria Pound	3.9262
Taiwan	New Taiwan (O)	36.00
Tanzania	Tan Shilling	8.1898
Thailand	Baht	20.50
Togo Republic	C.F.A. Franc	209.535
Tonga Islands	Pa'anga	0.8551
Trinidad & Tob	Trin. & Tob. $	2.4063
Tunisia	Tunisian Dinar	0.3985
Turkey	Lira	80.00
Turks & Caicos	U.S. $	1.00
Tuvalu	Australian $	0.8551
Uganda	Ug. Shilling	7.336
United Arab Emir.	UAE Dirham	3.6695
United Kingdom	£ Sterling*	2.3888
Upper Volta	C.F.A. Franc	209.535
Uruguay	Urug. Peso	9.47
U S.S.R.	Rouble	0.643
Vanuatu	Aust. $	0.8551
Vanuatu[5]	FNH (5)	67.723
Vatican	Italian Lira	866.15
Venezuela	Bolivar	4.2937
Vietnam N.	Dong (O)	2.15
Virgin Islands U.S.	U.S. $	1.00
Western Samoa	Samoan Tala	0.8795
Yemen	Rial	4.57
Yugoslavia	New Y. Dinar	27.55
Zaire Republic	Zaire Zaire	1.9864
Zambia	Kwacha	0.7778
Zimbabwe	Zim $	0.6267

n.a. Not available. * U.S. dollars per National Currency unit. (O) Official rate. (C) Commercial rate. (F) Financial rate.
(1) Sudan—Official rate for specified exports and imports. (2) Sudan—Official rate for all transactions except specified exports and imports.
(3) Egypt—A different rate applies to certain transactions with non-IMF countries.
(4) Israeli Government are changing their currency to Shekels. However dealers are currently quoting in pounds.
(5) New Hebrides independence 30/7/80 now named Vanuatu.

World Money.



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Agent

CITICORP INTERNATIONAL BANK LIMITED

August, 1980

INTL. COMPANIES & FINANCE

Gloomy Christmas season foreseen at Ideal Toy

BY TERRY BYLAND

IDEAL TOY, one of the leading toy and game manufacturers, has sounded a note of retreat from recent optimism with the announcement to shareholders that it may not be possible, during the all-important Christmas selling season, to reverse the present "downward trend" in profits.

The warning came in the report to shareholders on trading performance in the second quarter to July 31, which said that "present indications" are that it may not be possible to reverse the adverse trend of the second quarter.

Ideal Toy, which in 1979-80 derived nearly three-quarters of net income from international operations which include wholly-owned subsidiaries in West Germany, UK, France and Honk Kong, saw a profit of $512,000 turned into a loss of $1.8m in the second quarter, with sales falling from $32.8m to $25.2m.

This brought the six month loss to $1.7m compared with a profit of $1.1m or 30 cents a share (restated) on sales of $46.9m against $58.5m.

The warning regarding trading over the Chrsitmas season, which remains the lynch pin of the year despite attempts to encourage early ordering by customers and early delivery by the company, will be a keen disappointment to shareholders.

The company has been an obvious victim of the onset of the recession in the US and Europe over the past few years. After rising steadily since the early Seventies, earnings fell back sharply in 1977-78, and the company plunged into a loss of $5.97 a share in 1978-79.

Oscar Mayer forecasts growth

BY OUR FINANCIAL STAFF

OSCAR MAYER and Co., a big name in retail processed meats, intends to make a big splash in the institutional and restaurant food business. Mr. Jerry M. Hiegel, president and chief executive said that, after spending $110m on acquisitions in the last year, the group will sandwich together portions of new and old businesses in a food-service division expected to grow by 30 per cent next year.

With this and other factors the company expects earnings for the fiscal year ending November 1, 1981, to reach $2.25 to $2.50 a share compared with an expected $1.60 a share for the year ending October 26, 1980. Sales for 1979-80 are expected to total $1.75bn with 1980-81 sales projected at about $2.2bn and 1981-82 sales at about $2.75bn.

Oscar Mayer earned some $42.3m, or a restated $2.87 a share, on sales of nearly $1.4bn during the year to October 27, 1979.

Mr. Hiegel said that, as of November 1, the food-service division will offer Oscar Mayer's main line of processed meats as well as its Claussen pickles and the products of its two major acquisitions Louis Rich, a turkey producer. And Chef's Pantry, a food service concern.

Pechiney sells wire stake

PARIS—Trefimetaux of the Pechiney Ugine Kuhlmann group is selling its interests in copper wire and aluminium-alloy open wire conductors to Thomson Brandt.

Trefimetaux will now concentrate on making semi-finished products for mechanical rather than electronic goods, having sold its interest in insulated cables to Pirelli last year.

Reuter

General Health bid move

BY OUR FINANCIAL STAFF

GENERAL HEALTH SERVICES, which is currently facing a merger offer from Hospital Corporation of America for $30 a share, said it has received a $33 a share rival offer from a shareholder.

The new offer came from Ms. Toni Brotman Roven, who owns about 2.7 per cent of General Health stock and is the principal beneficiary of an estate and trust which togeher own about 37 per cent of the company's stock.

General Health, which has called a shareholders meeting for October 29 to vote on the merger with Hospital Corporation, said that Ms. Roven had indicated that she had assurances from a major bank for funds to back her proposed bid.

Mitsubishi Electric share plan approved

By Our Financial Staff

MITSUBISHI ELECTRIC, the third largest integrated electric machinery company in Japan, has announced that the Finance Ministry has approved its plan to raise the framework of foreign ownership of its shares to 30 per cent of its total share capital from the present 25 per cent.

Mitsubishi said that it is raising the ceiling because foreign ownership of its shares has been rising close to the 25 per cent limit after recent active portfolio investment by foreign investors.

Under a Finance Ministry ordinance the ceiling is limited to 15 per cent for companies engaged in land and sea transportation, banks, broadcasting, mining, fisheries, electric power and gas, and to 25 per cent for other companies. But a company can expand the ceiling to some extent, subject to Ministry approval.

Sales rise at Italcementi

By Our Financial Staff

ITALCEMENTI reports that turnover in the first half of 1980 rose by 39.4 per cent to L129.7bn ($152m). However, the company said increases in costs exceeded increases in profit. Italcementi, controlled by Italian industrialist Sig. Carlo Pesenti, is the largest Italian cement maker.

Meanwhile Lepetit, one of the largest pharmaceutical companies and controlled by Dow Chemical of the U.S., said its turnover in the first six months rose by 16.7 per cent to L93.2bn. Exports accounted for L47.11bn, up 26.6 per cent.

PENDING DIVIDENDS

For the convenience of readers the dates when some of the more important company dividend statements may be expected in the next few weeks are given in the following table. The dates shown are those of last year's announcements, except where the forthcoming board meetings (indicated thus*) have been officially published. It should be emphasised that the dividends to be declared will not necessarily be at the amounts or rates per cent shown in the column headed "Announcement last year."

	Date	Announcement last year
Allied Irish Banks	Oct. 31	Int. 2.75
Assoc. Biscuit	Oct. 9	Int. 2
*Bell (A.)	Oct. 29	Final 3.52
*Berec	Oct. 24	Int. 1.3
*Brit. Home Stores	Oct. 22	Int. 3.5
Brooke Bond	Oct. 18	Final 2.635
*Cape Inds.	Oct. 7	Int. 3.9
Coats Patons	Nov. 1	Int. 1.4
Combined Eng. Stores	Oct. 6	Int. 1.49
*Debenhams	Oct. 16	Int. 2.0411
Ductile Steels	Oct. 23	Final 4.881
Eastern Produce	Oct. 19	Int. 1.4
Empire Stores	Oct. 10	Int. 2.4
Finlay (Jas.)	Oct. 9	Int. 2.75
*Freemens (Lond. SW9)	Oct. 6	Int. 1.5
*Glaxo	Oct. 13	Final 11
Harris Queensway	Oct. 2	Int. 4
Harrisons & Crosfield	Oct. 30	Int. 7.5
*Harrisons Mlysn. Ests	Oct. 12	Final 7.857
Hawker Siddeley	Oct. 18	Int. 3.0
Hepworth (J.)	Oct. 30	Final 3.0
*Laing Props.	Oct. 8	Int. 1.25
London Brick	Oct. 23	Int. 1.734
London and Northern	Oct. 24	Int. 1.4
Mallinson-Denny	Oct. 30	Int. 1.5
Marks and Spencer	Oct. 18	Int. 1.5
Minet	Oct. 11	Int. 2.75
Mowlem (J.)	Oct. 1	Int. 1.75
Peachey Prop.	Oct. 25	Final 2.0
Reed Intl.	Oct. 30	Int. 4.0
*Rugby Prtlnd. Cement	Oct. 13	Int. 2.2
*Sears	Oct. 7	Int. 1
Sketchley	Oct. 23	Int. 2.8
Spirax-Sarco	Oct. 16	Int. 2.5
Telephone Rentals	Oct. 24	Int. 1.8
Tozer Kmsly. Milbourn	Oct. 23	Int. 1.59
UBM	Oct. 18	Int. 2.0

* Board meeting intimated. † Rights issue since made. ‡ Tax free. § Scrip issue since made. ¶ Forecast.

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CORAL INDEX: Close 476-481 (unchanged)

LOCAL AUTHORITY BOND TABLE

Authority (telephone number in parentheses)	Annual Interest gross interest	pay-able	Minimum sum	Life of bond
	%		£	Year
Knowsley 051 548 6555	13½	½-year	1,000	4-5
Redbridge 01 478 3020	13½	½-year	200	5-6

BASE LENDING RATES

A.B.N. Bank	16 %	■ Hambros Bank	16 %
Allied Irish Bank	16 %	■ Hill Samuel	§16 %
American Express Bk.	16 %	C. Hoare & Co.	†16 %
Amro Bank	16 %	Hongkong & Shanghai	16 %
Henry Ansbacher	16 %	Industrial Bk. of Scot.	16½%
A P Bank Ltd.	16 %	Keyser Ullmann	16 %
■ Arbuthnot Latham	16 %	Knowsley & Co. Ltd.	18 %
Associates Cap. Corp.	16 %	Langris Trust Ltd.	16 %
Banco de Bilbao	16 %	Lloyds Bank	16 %
BCCI	16 %	Edward Manson & Co.	17 %
Bank of Cyprus	16 %	Midland Bank	16 %
Bank of N.S.W.	16 %	■ Samuel Montagu	16 %
Banque Belge Ltd.	16 %	■ Morgan Grenfell	16 %
Banque du Rhone et de la Tamise S.A.	16½%	National Westminster	16 %
Barclays Bank	16 %	Norwich General Trust	16 %
Bremar Holdings Ltd.	17 %	P. S. Refson & Co.	16 %
Brit. Bank of Mid. East	16 %	Rossminster	16 %
■ Brown Shipley	16 %	Ryl. Bk. Canada (Ldn.)	16 %
Canada Perm't Trust	17 %	Schlesinger Limited	16 %
Cayzer Ltd.	16 %	E. S. Schwab	16 %
Cedar Holdings	16 %	Security Trust Co. Ltd.	17 %
■ *Charterhouse Japhet*	16 %	Standard Chartered	16 %
Choulartons	16 %	*Trade Dev. Bank*	16 %
C. E. Coates	16 %	Trustee Savings Bank	16 %
Consolidated Credits	16 %	Twentieth Century Bk.	16 %
Co-operative Bank	*16 %	United Bank of Kuwait	16 %
Corinthian Secs.	16 %	Whiteaway Laidlaw	16½%
The Cyprus Popular Bk.	16 %	Williams & Glyn's	16 %
Duncan Lawrie	16 %	Wintrust Secs. Ltd.	16 %
Eagil Trust	16 %	Yorkshire Bank	16 %
E. T. Trust Limited	16 %		
First Nat. Fin. Corp.	18 %		
First Nat. Secs. Ltd.	18 %		
Robert Fraser	16 %		
Antony Gibbs	16 %		
Greyhound Guaranty	16 %		
Grindlays Bank	‡16 %		
■ Guinness Mahon	16 %		

■ Members of the Accepting Houses Committee.
* 7-day deposits 14%. 1-month deposits 14¼%.
† 7-day deposits on sums of £10,000 and under 14%, up to £50,000 14½% and over £50,000 15%.
‡ Call deposits over £1,000 14%.
§ Demand deposits 14½%.

Public Works Loan Board rates

Effective from October 4

Years	Quota loans repaid by EIP†	A‡	at maturity§	Non-quota loans A* repaid by EIP†	A‡	at maturity§
Up to 5	13¼	13¼	13½	14¼	14¼	13¾
Over 5, up to 10	13¼	13¼	13¾	13¾	14¼	14¼
Over 10, up to 15	13½	13¾	13⅞	14½	14¼	14⅛
Over 15, up to 25	13⅝	13⅞	13⅞	14⅛	14½	14⅛
Over 25	13⅝	13⅝	13⅝	14½	14¼	14⅛

* Non-quota loans B are 1 per cent higher in each case than non-quota loans A. † Equal instalments of principal. ‡ Repayment by half-yearly annuity (fixed equal half-yearly payments to include principal and interest). § With half-yearly payment of interest only.

RECENT ISSUES

EQUITIES

Issue Price p‡	Amount Paid Up	Latest Renunc. Date	1980 High	1980 Low	Stock	Closing Price p‡	+ or −	Div. Amount	Times Covered	Gross Yield	P.E. Ratio
§60	F.P.	—	115	91	††BakerElectronics10p	102	−1	b3.85	2.0	5.4	10.8
§15	F.P.	—	31	26	††Baker(John)Pfd10p	30	.....	—	—	—	—
¶¶	F.P.	—	286	215	††Brint Invs.	275	.....	—	—	—	—
¶¶	F.P.	—	408	338	BP Restricted Trans.	406 xd	−2	17.5	4.7	6.2	3.8
68	F.P.	8/9	98	72	Charterh'se Petrol'm	96	−2	b1.09	4.0	1.6	22.8
80	F.P.	—	80	76	††H'sk'th M'rcyc's50p	76	.....	—	—	—	—
160	F.P.	—	180	133	††Marinex 10p	170	−5	—	—	—	—
67	F.P.	—	146	92	††ORE	125	−5	—	—	—	—
§57	F.P.	—	85	75	††Utd. Electronic20p	77	.....	b1.67	2.2	2.9	22.0

FIXED INTEREST STOCKS

Issue price £	Amount Paid Up	Latest Renunc. Date	1980 High	1980 Low	Stock	Closing Price £	+ or −
§100p.	F.P.	—	115p	100½p	††Baker (J) 7% Cnv. Pref.	107p	−2
¶¶	F.P.	10/10	114p	107p	Foseco Minsep 8½% Cnv Red Cum2ndPrf	113p	......
¶¶	F.P.	10/10	110	102	Do 10% Conv Uns Ln 1995	108	......
¶¶	F.P.	30/10	98½	97	Newcastle & Gateshead Water 8½% RdP	98½	......
‖	F.P.	31/10	117	107	Queens Moat 10¼% Cons Uns Ln '89-91	107	......
‖	Nil	15/10	15pm	4pm	R.T.Z. 9% Conv. Uns. Ln. '95-2000	4½pm	−2
‡	F.P.	—	97	95	S. Rhodesia 6% '78-81 Asstd.	97	+½
‡	F.P.	—	70	66	Do. 4½% '77-82 Asstd.	70	+2
‡	F.P.	—	42	35	Do. 3½% '80-85 Asstd.	42	+5
‡	F.P.	—	25	20½	Do. 4½% '87-92 Asstd.	25	+2½
‖	Nil	—	15½pm	7½pm	Western Deep 12% Uns Deb. '85-85 Units	9½pm	−⅜
‡	F.P.	20/11	102¼	101¾	York Waterworks 9½% Red. Pref. 1985	102	......
‡	F.P.	—	310	295	Zimbabwe settlement annuity Reg.	310	+5

"RIGHTS" OFFERS

Issue price p‡	Am'unt Paid up	Latest Renunc. Date ●	■	1980 High	1980 Low	Stock	Closing prices p‡	+ or −
300	Nil	—	—	60pm	42pm	BTR	48pm	......
15	Nil	—	—	16pm	12pm	††Baker (John)	16pm	+1
100	Nil	—	—	12pm	8pm	Do 7% Cnv Pref.	8pm	−2
300	F.P.	22/9	17/10	356	344	Blue Circle	348	+2
105	F.P.	3/10	7/11	121	116	British Vita	116	......
650	Nil	—	—	140pm	120pm	Burnett & Hallamshire	140pm	......
A$350	Nil	—	—	158pm	140pm	CRA	152pm	......
30	F.P.	29/9	20/10	41	32	Laganvale Estates 10p	40	......
240	F.P.	6/10	14/11	365	360	M. L. Hldgs.	360	......
220	F.P.	5/9	14/11	300	275	Mercantile House	295	......
280	Nil	—	—	30pm	22pm	Mills & Allen	30pm	......
14	F.P.	5/9	6/10	21	16	Moorgate Mercantile	18½	......
260	Nil	—	—	100pm	75pm	††Pict Petroleum	75pm	−5
370	Nil	—	—	62½pm	60pm	Ricardo	60pm	......
c.$46	Nil	—	—	36pm	27pm	Royal Bank of Canada	27pm	......
13	F.P.	19/9	10/10	16	15	Spencer Gears	15	......

Renunciation date usually last day for dealing free of stamp duty. *b* Figures based on prospectus estimate. *g* Assumed dividend and yield. *u* Forecast dividend: cover based on previous year's earnings. F Dividend and yield based on prospectus or other official estimates for 1979. Q Gross. T Figures assumed. ‡ Cover allows for conversion of shares not now ranking for dividend or ranking only for restricted dividends. § Placing price to public. *pt* Pence unless otherwise indicated. ¶ Issued by tender. ‖ Offered to holders of ordinary shares as a "rights." ** Issued by way of capitalisation. §§ Reintroduced. ¶¶ Issued in connection with reorganisation, merger or takeover. ‖‖ Introduction. □ Issued to former preference holders. ■ Allotment letters (or fully-paid). ● Provisional or partly-paid allotment letters. ★ Warrants. †† Unlisted security. † Dealings under special rule. ‡‡ London listing. ‡ Resulting from debt settlement scheme.

CURRENCIES, MONEY and GOLD

French franc attracts attention

BY JONAS CROSLAND

France suffers like many of its neighbours from a rising inflation rate, a fall in demand and a worsening trade performance. One aspect of the problem on which the French Government appears to have taken a firm stance is the value of the French franc. Unlike the U.S. where domestic considerations seem to have a higher priority than the performance of the dollar ahead of the Presidential election, the French authorities appear determined to protect the value of the franc against a worsening economic background.

Earlier this year the franc was the most improved currency within the European Monetary System, but has recently been displaced by the Dutch guilder, as recessionary trends make themselves felt, and the prospect of higher oil prices looms over the horizon. In the past month the U.S. dollar has risen to around FFr 4.20 from FFr 4.12, which may be about as high as the French authorities wish to see it go. Similarly sterling has recently touched its best level against the franc since mid-1975.

What holds probably more significance is the franc's performance against its major trading partner's currency, the West German mark, and at a glance the picture here looks more encouraging. However the fact that the D-mark has hardly moved from around the FFr 2.32 level in the past four months seems mostly attributable to the D-mark's current weakness, and this has ensured that the franc will not weaken too much. There are of course limits on how much each currency can fluctuate since both are bound by the limits laid down in the European Monetary System.

France's eighth economic and social plan announced recently by Prime Minister Raymond Barre pledges to tackle most domestic issues, while the Bank of France is keeping a firm hold on interest rates as a way of influencing the performance of the franc. In the money market last week call money touched its highest level for two months at 11⅞ per cent, while some domestic paper was yield over 13 per cent.

GOLD

	Oct. 3		Oct. 2	
Gold Bullion (fine ounce)				
Close	$662-665	(£227-278¼)	$669-672	(£280¼-281½)
Opening	$669-672	(£280¼-281½)	$678-681	(£284-285¼)
Morning fixing	$670.25	(£280.674)	$675.75	(£283.179)
Afternoon fixing	$660.50	(£276.452)	$665.75	(£278.930)
Gold Coins				
Krugerrand	$682-684	(£285-287)	$689-691	(£288½-290½)
1/2 Krugerrand	$349-353	(£146-149)	$350-355	(£146-149)
1/4 Krugerrand	$177-181	(£74-77)	$178-182	(£74½-76¼)
1/10 Krugerrand	$72-75	(£30-32)	$72-75	(£30-32)
Mapleleaf	$676-679	(£283-286)	$683-687	(£286-289)
New Sovereigns	$168-169	(£70-71)	$169½-170½	(£71-72)
King Sovs	$191-192	(£79½-80½)	$192-194	(£80½-82)
Victoria Sovs	$191-192	(£79½-80½)	$192-194	(£80½-82)
French 20s	$166½-168		$168-171	
50 pesos Mexico	$819-832		$824-828	
100 Cor. Austria	$641-647		$650-654	
$20 Eagles	$772-776		$779-782	

OTHER CURRENCIES

Oct. 3	£	$		£ Note Rates
Argentina Peso	4616-4626	1932-1939	Austria	30.45-30.75
Australia Dollar	2.0510-2.0350	0.8510-0.8515	Belgium	69.10-69.70
Brazil Cruzeiro	136.61-137.61	57.39-57.69	Denmark	13.28-13.38
Finland Markka	8.74-8.75½	3.6600-3.6610	France	9.98-10.05
Greek Drachma	102.148-104.808	42.75-42.90	Germany	4.31-4.35
Hong Kong Dollar	11.919-11.93	4.9920-4.9940	Italy	2056-2150
Iran Rial	n.a.	n.a.	Japan	494-499
Kuwait Dinar(KD)	0.634-0.640	0.2673-0.2674	Netherlands	4.68-4.72
Luxembourg Frc.	69.40-69.50	29.05-29.07	Norway	11.60-11.70
Malaysia Dollar	5.0840-5.0950	2.1295-2.1315	Portugal	117½-128
New Zealand Dlr.	2.4280-2.4330	1.0170-1.0180	Spain	171-181¼
Saudi Arab. Riyal	7.88-7.94	3.3190-3.3205	Sweden	9.92-10.02
Singapore Dollar	5.0185-5.0305	2.1020-2.1040	Switzerland	3.91½-3.94½
Sth. African Rand	1.7975-1.7990	0.7525-0.7530	United States	2.38¼-2.39¼
U.A.E. Dirham	8.76-8.82	3.6885-3.6900	Yugoslavia	72½-74½

Rate given for Argentina is free rate.

THE DOLLAR SPOT AND FORWARD

Oct. 3	Day's spread	Close	One month	% p.a.	Three months	% p.a.
UK†	2.3850-2.3910	2.3885-2.3895	0.48-0.38c pm	2.16	1.17-1.07 pm	1.87
Ireland†	2.0670-2.0710	2.0685-2.0705	0.05c pm-0.05 dis	—	0.15-0.05 pm	0.19
Canada	1.1666-1.1702	1.1666-1.1670	0.25-0.20c pm	2.31	0.55-0.50 pm	1.80
Nethlnd.	1.9668-1.9688	1.9675-1.9685	0.72-0.62c pm	4.08	1.72-1.62 pm	3.39
Belgium	29.05-29.09	29.05-29.07	6½-5c pm	2.37	10-7 pm	1.17
Denmark	5.5820-5.5930	5.5820-5.5836	1-1½ore dis	−2.68	4-4½ dis	−3.04
W. Ger.	1.8095-1.8135	1.8100-1.8110	0.80-0.76pf pm	5.17	2.24-2.19 pm	4.89
Portugal	50.15-50.27	50.15-50.25	15-30c dis	−5.38	35-75 dis	−4.38
Spain	73.81-74.00	73.81-73.85	55-70c dis	−10.16	170-200dis	−10.02
Italy	862.25-863.05	862.40-862.70	6-7lire dis	−9.04	23-25 dis	−11.13
Norway	4.8640-4.8690	4.8640-4.8650	1.15-0.65ore pm	2.22	2.65-2.15 pm	1.97
France	4.1995-4.2065	4.2010-4.2025	0.78-0.68c pm	2.08	1.60-1.45 pm	1.45
Sweden	4.1620-4.1660	4.1620-4.1635	0.70-0.85ore dis	−2.23	2.20-2.35dis	−2.19
Japan	206.80-208.30	207.45-207.55	0.70-0.55c pm	3.61	1.50-1.35 pm	2.75
Austria	12.81½-12.83	12.81½-12.82¼	2.90-2.30gro pm	2.43	5.25-3.50 pm	1.36
Switz.	1.6420-1.6480	1.6435-1.6445	1.32-1.27c pm	9.45	3.32-3.27 pm	8.02

† UK and Ireland are quoted in U.S. currency. Forward premiums and discounts apply to the U.S. dollar and not to the individual currency.

THE POUND SPOT AND FORWARD

Oct. 3	Day's spread	Close	One month	% p.a.	Three months	% p.a.
U.S.	2.3850-2.3910	2.3885-2.3895	0.48-0.38c pm	2.16	1.17-1.07 pm	1.87
Canada	2.7840-2.7940	2.7900-2.7910	1.32-1.22c pm	5.46	2.50-2.40 pm	3.51
Nethlnd.	4.68-4.72	4.69¾-4.70¾	2¼-1¼c pm	5.74	6½-5½ pm	5.10
Belgium	69.25-69.55	69.40-69.50	27-17c pm	3.80	55-45 pm	2.88
Denmark	13.32-13.36	13.33½-13.34½	par-1¾ore dis	−0.82	3½-5 dis	−1.27
Ireland	1.1505-1.1550	1.1535-1.1545	0.25-0.17p pm	2.18	0.52-0.43 pm	1.65
W. Ger.	4.31-4.34	4.32½-4.33½	3¼-2¼pf pm	7.62	7¼-6¼ pm	6.70
Portugal	119.50-120.20	119.80-120.00	10-16c dis	−1.25	30-130 dis	−2.67
Spain	176.25-176.55	176.30-176.40	75-130c dis	−6.97	300-375 dis	−7.65
Italy	2058-2062	2060-2061	9¼-12¼lire dis	−6.55	44½-47½dis	−8.98
Norway	11.61-11.64	11.62-11.63	5-3½ore pm	4.45	11½-9½ pm	3.65
France	10.02-10.05	10.03¼-10.04¼	4-3c pm	4.18	8½-7½ pm	3.19
Sweden	9.93-9.96	9.94-9.95	par-½ore dis	−0.45	1½-1½ dis	−0.60
Japan	492-498	495½-496½	2.20-1.85y pm	4.90	5.05-4.70 pm	3.93
Austria	30.55-30.70	30.62-30.67	14-11gro pm	4.89	27-21 pm	3.13
Switz.	3.91½-3.94½	3.92½-3.93½	4¼-3¼c pm	11.07	9¼-8¼ pm	9.54

Belgian rate is for convertible francs. Financial franc 69.60-69.70. Six-month forward dollar 1.35-1.25c pm. 12-month 1.40-1.25c pm.

FT LONDON INTERBANK FIXING (11.00 a.m. OCTOBER 3)

3 months U.S. dollars		6 months U.S. dollars	
bid 13 ⅞	offer 13 ⅞	bid 13 ¾	offer 13 ⅞

The fixing rates are the arithmetic means, rounded to the nearest one-sixteenth, of the bid and offered rates for $10m quoted by the market to five reference banks at 11 am each working day. The banks are National Westminster Bank, Bank of Tokyo, Deutsche Bank, Banque Nationale de Paris, and Morgan Guaranty Trust.

EURO-CURRENCY INTEREST RATES (Market Closing Rates)

Oct. 3	Sterling	U.S. Dollar	Canadian Dollar	Dutch Guilder	Swiss Franc	West German Mark	French Franc	Italian Lira	Asian $	Japanese Yen
†Short term	16⅛-16⅜	13⅛-13½	9½-10½	9⅛-9½	1-1¼	8⅛-8⅜	11½-11¾	14-17	4⅞-5	9½-10
7 days' notice	16⅛-16⅜	13¼-13½	9½-10½	9½-9⅞	1½-2	8⅛-8⅜	18⅞-12⅛	18¼-20¼	13¼-13⅜	10-10½
Month	16¼-16⅜	14-14¼	10⅞-11¼	9¾-10	4¾-4⅞	8⅛-8⅜	12⅛-12⅜	22-23⅛	14⅛-14¼	10⅝-10⅞
Three months	15⅞-15⅞	13⅞-13¾	11⅛-11⅞	10-10¼	5⅜-5⅝	8⅛-8⅜	12⅜-12⅝	24⅛-25½	13⅝-13¾	10⅝-10⅞
Six months	14⅞-15	13½-13¾	12⅛-12⅜	10⅛-10⅜	5⅜-5⅝	8⅝-8¾	12⅞-13⅛	24¾-25⅝	13¾-13⅞	10¾-11
One Year	14⅛-14⅜	13⅜-13⅝	12⅜-12¾	10⅛-10⅜	5½-5⅝	8⅞-8⅞	13-13⅛	24-25	13½-13⅝	10⅛-10⅜

Long-term Eurodollar two years 13-13¼ per cent.; three years 13-13¼ per cent; four years 13-13¼ per cent; five years 13-13¼ per cent nominal closing rates. Short-term rates are call for sterling, U.S. dollars, Canadian dollars and Japanese yen: others two-days' notice. Asian rates are closing rates in Singapore. The following nominal rates were quoted for London dollar certificates of deposit: one-month 13.10-13.20 per cent; three-months 13.25-13.35 per cent; six-months 13.30-13.40 per cent; one-year 13.20-13.30 per cent.

LONDON MONEY RATES

Oct. 3 1980	Sterling Certificate of deposit	Interbank	Local Authority deposits	Local Auth. negotiable bonds	Finance House Deposits	Company Deposits	Discount market deposits	Treasury Bills ●	Eligible Bank Bills ●	Fine Trade Bills ●
Overnight	—	12-16	—	—	—	15¾-16¼	15-15½	—	—	—
2 days notice	—	—	16¼-16⅜	—	—	—	—	—	—	—
7 days or	—	—	—	—	—	—	—	—	—	—
7 days notice	—	15⅞-16⅛	16¼	—	16⅜	16⅜-16½	15¼-15⅜	—	—	—
One month	16⅛-16⅛	16-16⅛	16¼	16⅞-17¼	16⅛	16½	15⅜	14⅛	16⅛	16⅜
Two months	16⅛-15⅞	15⅞-16⅛	—	16-16½	16¼	—	14⅜-14⅞	14⅛	15⅞-15⅜	16¼
Three months	16⅛-15⅞	15⅝-15⅞	15⅝-15¾	15⅞-16⅛	16	16⅛	14¼-14½	14¼-14⅜	15⅛	15⅞
Six months	14⅞-14⅞	14⅞-14⅞	14⅞-15	14½-14⅞	15⅛	15¾	—	—	13¾	14⅛
Nine months	14⅛-13⅞	14¼-14⅜	—	14⅝-14¾	14½	15	—	—	—	—
One Year	13⅝-13⅛	13⅞-14	14	14-14¼	14¼	14¾	—	—	—	—
Two years	—	—	13⅝-13¾	—	—	—	—	—	—	—

Local authority and finance houses seven day's notice, others seven days' fixed. Long-term local authority mortgage rates nominally three years 13⅝ per cent; four years 13½-13⅝ per cent; five years 13½-13⅝ per cent. ● Bank bill rates in table are buying rates for prime paper. Buying rates for four-month bank bills 14⅝-14⅞ per cent; four-month trade bills 15⅝ per cent.

Approximate selling rate for one-month Treasury bills 14⅞-14⅝ per cent; two months 14⅞-14⅝ per cent; three-months 14 13-64ths-14½ per cent. Approximate selling rate for one-month bank bills 15⅛-15⅛ per cent; two-months 15⅛-15⅛ per cent; three-months 14⅞ per cent● one-month trade bills 16½ per cent; two-months 16 per cent and three-months 15⅝ per cent.

Finance Houses Base Rates (published by the Finance Houses Association): 16½ per cent from October 1, 1980. Clearing Bank Deposit Rates for sums at seven days' notice 14 per cent. Clearing Bank Rates for lending 16 per cent. Treasury Bills: Average tender rates of discount 14.2617 per cent.

CURRENCY RATES

Oct. 3	Bank rate %	Special Drawing Rights	European Currency Unit
Sterling	16	0.550566	0.585733
U.S. $	11	1.31455	1.39990
Canadian $	11.80	1.53553	1.63513
Austria Sch.	6¾	16.8644	17.9537
Belgium F.	12	38.3008	40.6321
Danish K.	12	7.35051	7.82055
D'mark	7½	2.38210	2.53452
Guilder	8½	2.58572	2.75277
French Fr.	9½	5.52505	5.88169
Lira	16½	1133.80	1207.07
Yen	8.25	273.032	290.340
Norwgn. Kr.	9	6.40054	6.81052
Spanish Pts.	8	97.0953	103.488
Swedish Kr.	10	5.47444	5.82589
Swiss Fr.	3	2.16270	2.30046

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Gilt Fund(Jersey) 96.0 101.0 ..... 12.65

Gartmore Fund Managers (Far East) Ltd. (a)(h)
1503 Hutchison Hse., 10 Harcourt Rd., H. Kong
Australian Tst. US$1.18 17.380 ..... —
HK & Pac. U. Tst. HK$5.924 6.393 ..... 2.60
Japan Fd. US$18.08 19.402 ..... 0.60
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PO Box 188, St. Peter Port, Guernsey. 0481 23506.
Intl. Fund £21.30 21.99 ..... —
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Hambro Pacific Fund Mgmt. Ltd.
2110, Connaught Centre, Hong Kong
Far East Oct. 1 HK$20.26 21.36xd ..... —
Japan Fund Oct. 3 US$9.27 9.76 +0.33 —

Hambros Fd. Mgrs. (C.I.) Ltd.
P.O. Box 86, Guernsey. 0481-26521
Capital Reserve Fd. £12.15 12.17 ..... 0.23
C.I. Fund 192.3 204.8 ..... 3.19
Special Sits. Fund 61.9 63.9xd 2.74
Intnl. Bond US$104.96 108.21 ..... 8.58
Int. Equity US$16.18 16.68xd 0.90
Int. Svgs. 'A' $US 1.19 1.23 ..... —
Int. Svgs. 'B' 1.66 1.71 ..... —
Prices on October 1. Next dealing October 8.
†Excludes initial charge on small orders.

Henderson Admin. (Guernsey) Ltd.
7 New St., St. Peter Port, Guernsey 0481 26541/2
American O/S (USc) 115.4 121.5 ..... —

Henderson Baring Group
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Japan Tech. Sept. 29 US$12.879 ..... —
Malay Singp. Sept. 30 13.722 ..... —
Pacific Fd. Oct. 1 US$15.590xd ..... —
Bond Fd. Oct. 2 US$10.938 +0.017 9.00
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Gilt Fd.† £9.86 9.96xd 13.12
*Inclusive of Preliminary charge. †Weekly dealings.

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Guernsey Tst. 188.0 201.1 −0.8 3.24

Hill Samuel Invest. Mgmt. Intnl.
P.O. Box 63, Jersey. 0534 27381.
HS Channel Is. Fd. 143.5 153.6 ..... 4.00
H.S. Fixed Int. Fd. 95.0 99.0 ..... 12.00
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H.S. Overseas Fd. US$23.84 24.79 +0.14 —
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ITF Fd. (Acc.) US$13.03 13.29 +0.08 —

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Javelin Equity Tst. A$3.61 3.72 ..... 3.80

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Jardine J'pn. Fd. Y1802 ..... 0.9
J.F. Japan Small Co. Y10,340 ..... —
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Do. (Accum.) HK$20.12 ..... —
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J.F. Cur.&Bd.Fd.(Inc.) US$10.68 ..... 7.40
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L.J. Sterling Fund £12.11 12.12 ..... —

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Capital Fund 153.0 157.7 ..... —
Income Fund 57.8 59.6 ..... 11.60
Gilt Bond £1.015 1,069 ..... —

Keyser Ullmann Ltd.
25, Milk Street, EC2V 8JE. 01-606 7070
Fonselex SF153.05 165.30 ..... 2.10
Bondselex SF113.20 SF118.95 ..... —
Central Assets £176.74 176.79 +0.15 —

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Valley Hse., St. Peter Port, Grnsy. (0481) 24706
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Gilt Fund (Jersey) £8.39 8.45xd 12.50
Gilt Trust (I.o.M.) 96.9 99.3 ..... 12.50
Gilt Fnd. Guernsey 9.05 9.10xd 12.50
Intl. Govt. Secs. Tst.
First Sterling £16.37 16.52 ..... —
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Do. Accum. 112.6 119.4 ..... 5.42
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K.B. Gilt Fund £10.13 10.20xd 12.06
K.B. Int. Bd. Fd. Inc. US$97.59 ..... 9.28
K.B. Int. Bd. Fd. Acc. US$112.27 ..... 9.28
K.B. Intl. Fund US$15.71 2.22 2.16
K.B. Japan Fund US$36.39 ..... 0.68
K.B. Sterl. Asset Fd. £11.63 11.64 ..... —
K.B. U.S. Gwth. Fd. US$18.78 ..... 1.86
Signet Bermuda US$7.27 ..... 2.07

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P.O. Box 108, St. Helier, Jersey, C.I. 0534 37361
L.B. Int. Capital US$11.40 12.13 ..... 0.10

Lloyds Bk. (C.I.) U/T Mgrs.
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Next dealing Oct. 9.
Lloyds Trust Gilt 9.67 9.68xd 12.80
Next dealing Oct. 8.

Lloyds Bank International, Geneva
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Lloyds Int. Growth SF546.50 583.50 ..... 0.60
Lloyds Int. Income SF288.50 299.50 ..... 6.00

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Bda. Intl. Bd. Fd. Cap. US$11.16 ..... —
Bda. Intl. Bd. Fd. Inc. US$10.60xd 12.00
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Apollo Fd. Sept. 24 SF58.80 63.82 ..... 2.77
Japfest. Sept. 30 HK$20.46 22.15 ..... 0.91
117 Group Aug. 29 US$14.49 15.59 ..... 2.28
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Hope St. Fd. Sept. 30 US$42.12 +0.05 —
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Far East Fund US$2.20 2.38 ..... —
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Dollar Fxd. Int. Fund US$2.09 2.21 ..... —
Ster. Exempt Gilt Fd. £1.41 1.53 ..... —

Providence Capitol Life Ass. (C.I.)
PO Box 121, St Peter Port, Guernsey 0481 26726/9
Sterling Bond Fd. 49.0 51.6 ..... —
Sterling Equity Fd. 67.6 71.8 ..... —
Intnl. Bond Fd. US$1.00 1.06 ..... —
Intnl. Equity Fd. US$0.96 1.00 ..... —
Prices at Oct. 1. Next dealing Oct. 8.

Quest Fund Mngmt. (Jersey) Ltd.
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Quest Stlg.Fxd.Int. £0.805 0.852 ..... 14.67
Quest Intl. Secs. US$1.133 1.219 ..... 2.46
Quest Intl. Bd. US$0.841 0.891 ..... 11.22
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Intl. Income Fd. US$10.04 10.64 ..... —

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Sterling Deposit Bd. 119.86 126.18 ..... 15.64
Atlas Gilt & Com. Fd. 101.0 106.3 +2.5 —
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O.C. Sterling Fd.** £12.537 +0.004 —
**O.C. International Reserves Limited
Bel. Francs (Fix.) 611.860 | Italian Lira 20,704
Canadian $ 25.416 | Singapore $ 50.750
D-Mark 40.565 | £ Sterling 10.305
Dutch Guilder 40.638 | Swiss Francs 20.311
French Francs 101.790 | US$ 20.385
*Prices on September 30. Next dealing October 14.
†Prices on Sept. 22. Next dealing Oct. 7.
**Daily dealings. ***October 15.

Rothschild Asset Mgt. (Bermuda)
P.O. Box 664, Bk. of Bermuda Bld., Bermuda
Reserve Assets Fd. US$9.55 9.76 −0.36 —
Prices on Sept. 22. Next dealing Oct. 7.

Save & Prosper International
Dealing to
P.O. Box 73, St. Helier, Jersey 0534 73933
Fixed Interest Funds
Deutschmark Bd.**‡ DM9.19 9.76xd 5.64
Dllr. Fxd. Int.**‡ US$8.17 8.70 ..... 8.62
St. Fixed****‡ 111.8 118.2 ..... 11.80
Yen Bond Y964 1,021 ..... 4.97
Equity Funds
Channel Capital★ 84.3 88.9 −0.3 2.96
Internatl. Gr.*‡ US$12.10 13.09 ..... —
Far Eastern*‡ US$14.94 16.16 ..... —
North American*‡ US$6.78 7.33 ..... —
Sepro**‡ 18.81 20.56 ..... —
Trust Channel Isl.★ 79.3 83.7 −0.2 5.88
Commodity Funds
Commodity****‡ 171.8 181.1 −2.5 —
Deposit Funds
St. Deposit****★ 127.2 127.6xd +0.4 0.28
*Prices on Sept. 29. **Oct. 1. ***Oct. 3.
****Oct. 2. ‡Weekly dealings. ★ Daily dealings.

Schroder Life Group
Enterprise House, Portsmouth. 0705 27733
International Funds
£Equity 95.6 101.7 ..... —
$Equity US$2.176 2.314 ..... —
£Fixed Interest 174.4 185.5 ..... —
$Fixed Interest US$1.234 1.312 ..... —
£Managed 133.5 142.0 ..... —
$Managed US$1.716 1.825 ..... —

Schroder Mngt. Services (Jersey) Ltd.
P.O. Box 195, St. Helier, Jersey. 0534 27561
Sterling Money Fd. £10.02 10.03 ..... —
Next dealing day Oct. 8.

J. Henry Schroder Wagg & Co. Ltd.
120, Cheapside, EC2. 01-588 4000
Am. Inv. Il. Oct. 2 US$17.92 −0.47 1.95
Asan Fd. Sept. 15 US$23.34 25.18 ..... 2.46
Ch'Ide $ Oct. 3 US$19.95 — +0.19 2.09
Darling Fd. Oct. 3 A$3.67 3.92 +0.04 4.28
Japan Fund Oct. 2 US$8.74 9.39 ..... 1.88
Trafalgar Fd. Aug. 31 US$235.01 ..... —

Sentry Assurance International Ltd.
P.O. Box 1776, Hamilton 5, Bermuda.
Managed Fund US$4.938 5.4052 ..... —

Singer & Friedlander Ldn. Agents.
20, Cannon St., EC4. 01-248 9646
Dekafonds 24.08 25.26 ..... 6.33
Tokyo Trust Oct. 1 US$37.50 ..... 2.40

Standard Chartered Intl. Bd. Fd.
37 rue Notre-Dame, Luxembourg.
NAV Sept. 30 US$10.32 ..... —

Stronghold Management Limited
P.O. Box 315, St. Helier, Jersey. 0534-71460
Commodity Trust 156.69 164.94 ..... —

Surinvest (Jersey) Ltd. (x)
Queens Hse., Don Rd., St. Helier, Jsy. 0534 27349
American Ind.Tst. £4.93 5.04 −0.07 —
Copper Trust £12.27 12.57 −0.15 —
Jap. Index Tst. £6.71 6.86 +0.05 —

Surinvest Trust Managers Ltd.
48, Athol Street, Douglas, Isle of Man. 0624 23914
The Coin Trust 109.6 115.3 ..... —

TSB Unit Trust Managers (C.I.) Ltd.
10, Wharf St., St. Helier, Jersey (CI). 0534 73494
TSB Jersey Fund 53.2 56.0 ..... 5.13
TSB Guernsey Fund 53.2 56.0 ..... 5.13
Prices on Oct. 1. Next sub. day Oct. 7.

TSB Gilt Fund Managers (C.I.) Ltd.
10 Wharf St., St. Helier, Jersey (CI). 0534 73494
TSB Gilt Fund 93.0 96.0xd 14.58
TSBGiltFd.(Jsy.) 93.0 96.0xd 14.58
Prices on October 1. Next sub. day October 8.

Tokyo Pacific Holdings N.V.
Intimis Management Co. N.V., Curacao.
NAV per share September 29 US$89.12.

Tokyo Pacific Hldgs. (Seaboard) N.V.
Intimis Management Co. N.V., Curacao.
NAV per share September 29 US$64.92.

Tyndall Group
P.O. Box 1256 Hamilton 5, Bermuda, 2-2760.
Overseas Oct. 1 US$1.47 1.55 ..... 6.00
(Accum. Units) US$2.60 2.75 ..... —
2 New St., St. Helier, Jersey. 0534 37331/3
TOFSL Oct. 2 £9.56 10.30 ..... 2.45
(Accum. Shares) £16.25 17.45 ..... —
American Oct. 2 114.6 122.8 ..... 2.65
(Accum. shares) 122.8 131.6 ..... —
Far Eastern Oct. 2 114.8 123.2 ..... 1.83
(Accum. shares) 120.2 129.0 ..... —
Jersey Fund Oct. 1 139.6 150.2 ..... 8.06
(Non-J. Acc. Uts.) 234.6 252.4 ..... —
Gilt Fund Oct. 1 101.6 103.6 ..... 11.60
(Accum. Shares) 170.8 174.0 ..... 11.60
Victory House, Douglas, Isle of Man. 0624 24111.
High Inc. Gilt Oct. 1 110.0 112.2 ..... 13.54
(Accum Shares) 115.4 117.6 ..... —

Unilife Assurance (Overseas) Ltd.
P.O. Box 1388, Hamilton 5-31, Bermuda
Internl. Mngd. Fd. US$1.08 ..... —

Union-Investment-Gesellschaft mbH.
Postfach 16767, D 6000 Frankfurt 16.
Unifonds DM17.18 18.10 +0.30 —
Unirak DM47.39 49.80 +0.10 —
Unirenta DM36.95 38.10 ..... —

van Cutsem & Associates Ltd.
42, Essex Street, London, WC2 01-353 6845
PanAmer. O's. Fd. US$149.61 ..... —

S. G. Warburg & Co. Ltd.
30, Gresham Street, EC2. 01-600 4555
Energy Int. Oct. 2 US$39.91 +0.41 —
Gresh. St. $ Oct. 1 US$9.32 ..... —
Merc. Eurbd. Sept. 24. US$11.65 11.75 ..... 0.7543
Mrc. My. Sept. 29 £12.84 12.85xd ..... —

Warburg Invest. Mngt. Jrsy. Ltd.
7 Library Place, St. Helier, Jsy. CI 0534 37217
CMT Ltd. Sept. 25 £14.15 14.51 ..... 2.69
Metals Tst. Oct. 2 £13.05 13.37 −0.02 35.97
SMT Ltd. Oct. 2 £13.51 13.84 +1.34 —
TMT Ltd. Sept. 11 £12.56 12.89 ..... 4.81

Wardley Investment Services Ltd.
4th Floor, Hutchison House, Hong Kong
Wardley Trust HK$24.87 26.30 ..... —
Wardley Nikko As. Fd. US$34.28 34.88 ..... —
Wardley Bond Trust US$9.98 10.10 ..... —
Wardley Japan Trust US$13.49 13.79 ..... —

World Wide Growth Management
10a, Boulevard Royal, Luxembourg
Worldwide Gth. Fd. US$32.62 −0.02 —

Wren Commodity Trust
10, St. George's St., Douglas IoM 0624 25015
Wren Commod. Tst. 43.1 43.8 +1.8 —

NOTES

Prices are in pence unless otherwise indicated. Yields % (shown in last column) allow for all buying expenses. a Offered prices include all expenses. b Today's prices. c Yield based on offer price. d Estimated. g Today's opening price. h Distribution free of UK taxes. p Periodic premium insurance plans. s Single premium insurance. x Offered price includes all expenses except agent's commission. y Offered price includes all expenses if bought through managers. Z Previous day's price. ψ Net of tax on realised capital gains unless indicated by ⊕. ¶ Guernsey gross. # Suspended. ♦ Yield before Jersey tax. † Ex-subdivision. ‡‡ Only available to charitable bodies.

هكذا من الأصل

AUTHORISED UNIT TRUSTS

FT UNIT TRUST INFORMATION SERVICE

Abbey Unit Tst. Mngrs. (a)
72-80, Gatehouse Rd., Aylesbury 0296 5941

Abbey Amer. Gth. Tst.	52.4	57.4	+0.6	2.53
Abbey Capital	42.7	46.2	-0.1	5.30
Abbey General	55.2	57.5	-0.3	3.46
Abbey Gilt & F.I. Tst.	113.7	119.7		11.43
Abbey Income	33.5	36.2xd	+0.1	9.56
Abbey W'Wide Bd Tst.	42.2	47.6	+0.5	5.54
Abbey Inv. Tst. Fnd.	46.7	50.5	+0.1	5.03
Equitas Prog. Tst.	82.0	88.6	-0.1	4.86

Allen Harvey & Ross Unit Tst. Mngrs.
45, Cornhill, London EC3V 3PB. 01-623 6314.

AHR Gilt Trust	95.2	98.1	+0.2	12.37

Allied Hambro Ltd. (a)(g)
Hambro Hse., Hutton, Brentwood, Essex. 01-588 2851 or Brentwood (0277) 211459

Balanced Funds				
Allied 1st	86.4	92.4	-0.2	6.01
Brit. Ind. Fund	77.4	82.9	-0.1	6.28
Growth & Income	48.2	51.6	-0.1	5.99
Elect. & Ind. Dev.	40.2	46.2	-0.1	5.30
Allied Capital	90.8	97.2xd	-0.5	4.58
Hambro Fund	132.3	141.6	-0.4	6.13
Hambro Acc. Fund	170.4	182.3	+0.1	4.94
Income Funds				
High Yield Fd.	64.3	68.8	+0.1	10.03
High Income	76.2	81.5xd		7.79
A. H. Eq. Inc.	44.7	47.8	+0.1	7.59
Govt. Secs.	26.7	27.4		11.61
International Funds				
International	33.3	35.6	+0.2	3.05
Pacific Fund	57.4	61.4	+0.3	0.60
Secs. Of America	65.4	70.0	+0.9	2.57
Specialist Funds				
Smaller Co.'s Fd.	52.2	55.9		4.56
2nd Smlr. Co's Fd.	60.7	65.0xd	-0.7	4.62
Recovery Sits.	128.2	137.2	+0.2	6.09
Mel. Min. & C'dty.	73.7	78.9	+0.5	3.74
Overseas Earnings	67.3	72.0	-0.2	5.35
Exempt Funds				
Income Exempt	—	50.0		8.50
Far East Exempt	64.0	68.5	+0.6	3.25
Smaller Co. Exempt	80.0	84.0xd	-0.5	4.76
U.S.A. Exempt	113.9	118.5xd	+1.1	2.95

Anderson Unit Trust Managers Ltd.
158, Fenchurch St., EC3M 6AA. 625 9231

Anderson U.T.	66.6	71.2xd		4.75

Anchacher Unit Mngmt. Co. Ltd.
1, Noble St., EC2V 7JA. 01-623 6376

Inc. Monthly Fund	145.0	155.0		12.06

Arbuthnot Securities Ltd. (a)(c)
37, Queen St., London, EC4R 1BY. 01-236 5281

Capital†	31.2	33.6		—
Commodity**	98.1	105.6		2.60
(Accumulation)	112.7	144.7		2.60
(10% Withdrawal)	77.3	83.5		2.60
Eastern & Internatl.†	34.5	37.4		1.00
(6% Withdrawal)	23.5	25.3		1.00
Extra Income	57.6	59.0		9.92
(Accumulation)	109.0	118.5		10.29
Finance & Property*	64.7	26.1xd		3.92
Foreign††	115.3	121.0	+0.9	1.00
Giants	41.5	44.5	-0.2	3.20
(Accumulation)	53.2	57.0	-0.2	3.20
Gilt & Fixed	44.6	46.8		12.22
(Accumulation)	46.8	49.1		12.65
Growth	41.4	44.7	-0.1	3.10
(Accumulation)	53.4	57.6	-0.1	3.10
High Income	35.4	38.2	+0.1	9.34
(Accumulation)	57.4	62.2	+0.1	9.34
(8% Withdrawal)	45.7	50.6	+0.2	9.34
High Yield	46.9	49.6	+0.3	10.73
(Accumulation)	71.4	77.1xd	+0.3	10.73
North American††	33.0	35.6		1.00
Preference	21.9	23.7xd		13.74
(Accumulation)	42.0	45.3		13.74
Smaller Companies*	29.5	30.9		4.54

Dealings: †Tues. *Wed. ††Thurs. **Friday.

Archway Unit Tst. Mgs. Ltd.♥ (a)(c)
317, High Holborn, WC1V 7NL. 01-831 6233

Archway Fund	114.8	123.4		5.41

Prices at Oct. 2. Next sub day Oct. 9.

Barclays Unicorn Ltd.♥ (a)(c)(g)
Unicorn Ho. 252, Romford Rd., E7. 01-534 5544

Unicorn Accum.	193.7	34.2		1.99
Do. Aust. Acc.	142.8	153.5	+0.1	1.25
Do. Aust. Inc.	109.4	117.6	+0.1	1.25
Do. Capital	85.5	91.9	-0.5	5.09
Do. Extempt Tst.	132.9	138.4	-0.4	6.45
Do. Gilt Income	33.5	35.9		9.19
Do. Financial	106.7	114.7	-1.1	3.70
Do. 500	97.6	64.6xd	-0.1	6.80
Do. General	40.3	43.3xd	+0.1	5.75
Do. Growth Acc.	58.5	63.0		4.45
Do. Income Trust	95.2	104.0		7.92
Do. Pri. A'ns. Tst.	244.7	260.5	-0.9	4.44
Do. Recovery	55.0	59.1	-0.1	6.00
Do. Trustee Fund	143.5	154.3	-0.3	5.92
Do.W'Wide Tst.	60.5	60.7	+0.2	5.70
Brit. Ind. Inc.	76.0	79.1	-0.2	9.79
Do. Accum.	94.7	98.6	-0.3	9.79

Baring Brothers & Co., Ltd.♥ (a)(z)
88, Leadenhall St., EC3. 01-588 2830

Stratton Trust	255.6	256.2xd		4.46
Do. Accum.	328.4	342.5xd		4.46

Next sub. day Oct. 7

Bishopsgate Progressive Mgmt. Co.♥
9, Bishopsgate, EC2. 01-588 6280

B'gate Pr. **Sept. 29	161.4	276.7		2.00
Acc. Units **Sept. 29	327.3	346.4		2.00
B'gate Int. Sept. 30	248.6	262.8		2.00
(Accum.) *Sept. 30	285.4	301.7		2.00

Next sub. day *Oct. 14, **Oct. 7.

Bridge Fund Managers (a)(c)
Regis Hse., King William St., EC4. 01-623 4951

Amer. Gen.	34.0	35.6		1.61
Income*	58.0	63.1		8.35
Capital Inc.†	55.5	59.1xd		2.70
Do. Acc.†	62.3	66.3		2.70
Exempt†	136.0	145.0		6.65
Internatl. Inc.†	20.6	22.0xd		3.47
Do. Acc.†	26.9	28.7		3.47

Dealing *Tues., †Wed. ‡Thurs. Prices Oct. 1/2

Britannia/Schlesinger
Britannia Trust Management (a) (c) (g)
604, Salisbury Hse., 4th Flr., Finsbury Circus, London EC2M 5QJ. 01-638 1473/0179

Assets	82.1	88.0		5.02
Capital Acc.	79.9	85.9		3.85
Comm & Ind	66.3	70.2	-0.2	4.75
Commodity	164.8	181.5	+0.9	2.75
Domestic	47.9	53.4	-0.2	5.36
Exempt	130.3	137.2	+2.9	7.77
Extra Income	35.4	38.0xd		11.62
Far East	31.7	34.1xd	+0.4	1.14
Financial Secs.	38.3	40.8	+0.4	11.75
Gilt	23.8	25.1		11.95
Gold & General	220.6	239.5	-3.3	4.85
Growth	117.7	126.5	-0.7	3.78
Inc. & Growth	79.4	85.4	+0.1	7.79
Int'l Growth	64.2	69.0	+0.2	1.00
Miscellany	107.6	115.7	-0.2	4.54
Nat. High Income	76.4	82.2xd	+0.2	10.20
Special Situations	40.9	44.0		4.10
North American	34.2	36.9	+0.5	1.48
Professional	92.2	99.0	+4.5	1.10
Property Shares	26.1	28.9xd	+0.1	2.13
Shield	64.2	71.2xd	-0.6	3.83
Status Change	39.0	41.9xd	+0.1	4.25
Invest. Tst. Shares	61.6	66.2	+0.2	4.75
Wan Energy	86.5	93.0	-0.3	1.15

Schlesinger Trust Mngrs. Ltd. (a)(c)(g)
140, South Street, Dorking. (0306)885441

Acc. Except. (c)	27.3	28.7xd	-0.2	1.75
Acc. Growth (c)	88.8	93.1	+0.5	1.95
Am. Smaller Cos (c)	47.0	50.8	+1.1	0.46
Exempt High Yield	27.5	28.9	+0.1	12.03
Exempt Mkt. Ldrs.	33.8	37.1	-0.1	4.75
Extra Inc. Tst.	28.0	30.1		11.38
Britannia Gilt	23.8	25.1		11.95
Income Dist.	42.2	45.0	+0.2	11.16
Inc. 10% Withdl.	31.0	33.1		10.27
Int. Tst. Units	31.7	34.3		5.46
Intl. Growth	67.8	72.9	+0.1	2.21
Market Leaders	36.3	39.2	-0.3	5.71
*Nil Yield	36.6	39.4	-0.2	—
Pref. & Gilt Trust	27.1	29.1		13.73
Property Shares	46.7	50.5	+0.1	2.11
Special Sit. Tst.	52.1	56.6xd	-0.2	1.51
UK Gth. Accum.	37.2	39.4	-0.2	4.20
UK Gth. Dist.	32.4	34.2	-0.2	4.20

The British Life Office Ltd♥ (a)
Reliance Hse., Tunbridge Wells, Kt. 0892 22271

BL British Life	62.7	66.3xd	-1.9	5.92
BL Equity*	50.1	53.1		4.46
BL Dividend*	57.4	60.8		9.87

Prices October 1. Next dealing October 8.

Brown Shipley & Co. Ltd.♥(a)(g)
Harlands Hse, Haywards H'th, Sx. 0444-58144

B.S. Units Sept. 30	278.2	294.9		5.51
Do. (Accum.) Sept. 30	383.4	406.4		—
Financial	54.9	58.2	+0.2	3.99
Growth Accum.	71.2	75.5	-0.5	5.24
Growth Income	51.9	55.0xd	-0.2	5.20
High Income	52.7	55.8xd	+0.1	11.25
I.T.U.	26.5	27.9xd	+0.2	5.02
Income	25.3	26.7xd	-0.1	7.11
Index	29.9	31.8	+0.2	4.20
North American	25.3	27.1	+0.2	2.46
Performance	71.1	75.4	-0.1	3.85
Recovery	26.7	28.0		8.14
Exempt	81.3	84.7	-0.4	5.49

Canada Life Unit Trst. Mngrs. Ltd.♥
2-6 High St., Potters Bar, Herts. P. Bar 51122

Can. Gen Dist.	46.5	48.9	-0.3	4.83
Do. Gen. Accum	62.1	65.3	-0.4	4.83
Do. Income Dist.	34.6	36.4	-0.1	8.89
Do. Inc. Accum.	51.3	54.0	-0.1	8.89

Capel (James) Mngt. Ltd.♥
100, Old Broad St., EC2N 1BQ 01-588 6010

Capital	102.8	109.8xd		3.67
Income	92.9	98.0xd		9.07
North American	102.3	108.9		2.55

Prices on October 1. Next dealing October 15.

Carr, Sebag Unit Trust Managers(a)
57/63, Princess St., Manchester 061-236 5685

Carr, Sebag Cap. Fd.	42.2	44.8xd	-0.4	3.95
Carr, Sebag Inc. Fd.	30.6	32.5xd	-0.2	8.95

Charbuce Charities N/R Fund‡‡
15, Moorgate, London, EC2. 01-638 4121

Income Sept. 30	120.35			11.43
D. Accum. Sept. 30	158.46			11.63

Charities Official Invest. Fund‡‡
77 London Wall, EC2N 1DB. 01-588 1815

Income Sept. 16	154.37			7.77
Accum. Sept. 16	376.39			—

Chieftain Trust Managers Ltd♥ (a)(g)
11, New St., EC2M 4TP. 01-283 2632.

American (z)	28.1	30.5	+0.4	1.88
Far Eastern Tst. (z)	28.6	31.0	+0.2	1.28
High Income	32.7	38.8	-0.1	12.02
Indst. Trust (z)	41.6	45.1	+0.7	1.90
Basic Resources Tst.	62.2	67.5xd	-0.5	1.75
Intern. Growth Tst.	23.8	25.6		0.36
Pref. & Gilt Tst.	22.5	24.2		13.66
Smaller Co's Trust	24.7	26.8	+0.2	4.12

Choulerton Fund Managers(a)
57-63, Princess St., Manchester. 061-236 5685

Growth	16.7	18.0	-0.1	4.62
International	18.5	19.0	+0.1	1.38
High Income	32.2	34.8	+0.1	11.41

Confederation Funds Mgt. Ltd. (a)
50, Cannon Street, EC4M 6AE. 01-236 1425

Growth Fund	67.7	71.2		4.04

For Continental see Choulerton Fund Managers.

Craigmount Unit Tst. Mgrs. Ltd.
Bucklersbury, London EC4N 8BD. 01-248 4984

High Income	37.0	40.4	+0.3	11.19
North American	55.5	59.1xd	+0.4	2.89
Canadian Exempt*	59.8	63.3		5.78
Canadian Trust	60.5	65.4	+0.2	2.74
Mid Mount High Inc.*	48.1	50.9		9.48
Recovery	60.3	65.4	+0.9	4.58
Gilt Trust	44.7	48.7	-0.1	12.01

*Weekly dealing day Wednesday.

Crescent Unit Tst. Mngrs. Ltd. (a)(g)
4 Melville Cres., Edinburgh 3 031-226 4931

Cres. Amer. Fd.	34.6	37.3	+0.4	1.01
Cres. Internat'l	69.6	75.1	+0.1	2.33
Cres. High. Dist.	42.0	45.3	+0.1	10.76
Cres. Reserves	50.2	54.2	-0.2	5.54
Cres. Tokyo	24.6	26.5xd	+0.3	0.71

Dartington Unit Trust Mngt. Ltd.
Bridge Chambers, Barnstaple, Devon (0271 76324

Total Perf. Unit Tst.	23.7	25.0xd		12.34

Discretionary Unit Fund Managers
36/38 New Broad St, EC2M 1NU. 01-638 4485

Disc. Inc. Sept. 26	219.5	234.2		5.72

E. F. Winchester Fund Mngt. Ltd.
44, Bloomsbury Square, WC1A 2RA 01-623 8893

Great Winchester	17.3	19.1		7.60
Gt. Winchester O'seas	23.8	26.4		4.22

Emson & Dudley Tst. Mngmnt. Ltd.
20b Albemarle St., W1. 01-493 3211

Emson Dudley Tst.	85.6	92.1		6.00

Equity & Law Un. Tr. M.♥ (a)(b)(c)
Amersham Rd., High Wycombe. 0494 33377

Equity & Law	84.5	88.9	-0.1	4.97

Fidelity International Management Ltd.
62-63 Queen St, London EC4 1AD 01-248 4891

American	29.3	31.4	+0.2	1.04
Gilt + Fixed Int.	26.0	27.4		11.97
Growth + Income	31.1	33.5	+0.1	7.22
Special Sits.	37.2	40.1xd	+0.6	2.21

James Finlay Unit Trust Mngt. Ltd.
10-14, West Nile Street, Glasgow. 041-204 1321

J. Finlay Internat'l	34.6	37.2xd		1.60
Accum. Units	42.6	45.7xd		1.60
J. Finlay High Income	33.7	36.2xd		10.39
J. Finlay Euro.Fin.	23.7	25.4xd		4.03
Accum. Units	26.2	28.2xd		4.03
J. Finlay Fd.In.Tst.	37.3	40.1xd		5.56
Accum. Units	46.1	49.5		5.56

Prices on Sept. 30. Next dig. Oct. 8

Framlington Unit Mgt. Ltd. (a)
64, London Wall, EC2M 5NQ. 01-628 5181

Amer. & Gen. Sept. 29	65.8	70.2		0.94
Aus. Thrgood Sept. 29	60.1	63.2		1.83
Capital †	57.0	60.8xd		2.57
(Accum. Units)	59.4	63.4	+0.2	2.57
Extra Income Trust	49.6	53.0	+0.4	10.30
Income Tst.	40.0	43.6		9.52
Int. Growth Fd.	57.8	62.4	+0.4	1.85
(Accum. Units)	57.6	61.4	+0.6	1.85

Friends' Provdt. Trust Mgrs.♥
Pixham End, Dorking. 0306 5055

Friends Prov. Units	69.0	63.0	-0.2	4.42
Do. Accum.	85.2	88.9	-0.2	4.42

Funds in Court†
Public Trustee, Kingsway, WC2. 01-405 4300

Capital Dist. 2	133.2	136.9xd		5.11
Gross Inc. Oct. 2	81.6	84.4		11.14
High Yield Dist. 2	94.5	96.1		10.82

*Unauth. Restricted to monies under Court control.

G.T. Unit Managers Ltd.♥
16, Finsbury Circus, EC2M 7DJ. 01-628 8131

G.T. Cap. Income	144.0	154.8	+1.8	2.60
Do. Acc.	196.4	196.4	+2.2	2.60
G.T. Inc. Fd. Uts.	206.9	216.0	+3.5	8.30
G.T. U.S. & Gen.	175.4	188.4	+1.8	2.00
GT Wld. Bd. Fd.	92.9	95.7xd	+0.9	6.90
G.T. Japan & Gen.	86.0	90.3xd	+2.3	0.70
G.T. Pens. Fd.	57.7	62.5xd	+0.2	1.70
G.T. Int'l. Fund	213.4	229.4	+7.1	1.90
G.T. Four Yds. Fd.	53.2	57.2	+1.0	1.40
G.T. Far East & Gen.	70.1	75.3	+1.1	2.30

G. & A. Trust (a) (g)
5 Rayleigh Road, Brentwood (0277) 227300

G. & A.	42.6	45.5	-0.2	5.12

Gartmore Fund Managers♥ (a)(g)
2 St. Mary Axe, EC3A 8BP 01-623 6114

Dealing only: 01-623 5766/5806

American Trust	34.0	36.6	+0.4	0.46
British Tst. (Acc.)	74.5	80.1	+0.5	3.72
British Tst. (Dist.)	74.5	80.1	+0.5	3.72
Commodity Share	58.6	60.1	-0.5	3.47
Extra Income Tst.	21.8	23.6		10.30
Far East Trust	43.0	46.3xd	+0.7	1.67
Gilt Trust	24.4	26.2		12.09
High Income Tst.	54.4	58.5		10.69
Income Fund	80.0	87.1		7.23
Inc. Agencies	47.37	16.47	-0.07	4.73
Intl. Exempt Fd.	113.9	123.0xd	+0.5	2.10
Intl. Tst. (Acc.)	69.0	74.5	+0.3	1.21
Special Sits. Tst.	38.3	40.5xd	+0.3	1.46

Gibbs (Antony) Unit Tst. Mgs. Ltd. (a)
3 Frederick's Pl., Old Jewry, EC2 01-588 4111

Extra Income	29.8	32.4		10.80
Income	40.9	44.5	+0.2	10.30
Accumulation	49.3	53.6	+0.5	6.00
Growth	49.4	53.7	+0.4	4.20
UK Mid. Leaders	53.8	57.9	-0.2	5.20
Small Co's	42.3	45.9	-0.2	5.50
Technology	64.2	69.8	-0.3	0.40
Private	84.8	91.8	+0.3	2.90
Intl. Ens. & Assets	57.9	62.9	-0.8	6.00
American	29.1	31.5	+0.3	1.40
Far East & Gen.	35.9	38.6	+0.4	1.30

Govett (John)
77 London Wall, EC2 01-588 5620

Stockholder Sept. 19	154.8	163.2		2.11
Do. Accum. Unit	195.1	205.7		2.11
St. European	72.3	74.1		3.60

Next dealing Oct. 3.

Grieveson Management Co. Ltd.
59 Gresham Street, EC2P 2DS 01-606 4433

Barrington Oct. 1	301.9	321.2		4.81
(Accum. Units)	355.6	376.2		4.81
Barrgtn. H.Y. Oct. 2	172.3	183.3xd		10.22
(Accum. Units)	257.5	272.7		10.22
Brgtn. Sec. Oct. 3	110.0	117.0xd	+2.2	4.85
Gilbrea Sept. 30	319.6	335.8		1.23
(Accum. Units)	343.3	360.7		1.23
Grandchr. Sept. 26	104.8	110.2	-0.3	2.35
(Accum. Units)	113.5	119.3	-0.3	2.35
La. & Brus. Oct. 1	71.8	75.0		2.77
(Accum. Units)	80.9	84.9		2.77

Guardian Royal Ex. Unit Mgrs. Ltd.
Royal Exchange, EC3P 3DN 01-628 8011

(ag) Guardhill Tst.	125.3	129.8	-0.2	4.65

Henderson Administration (a) (b) (c)
Premier UT Admin., 5, Rayleigh Road, Hutton, Brentwood, Essex. 0277 217238

U.K. Funds				
Cabot Capital Trust	165.9	179.2xd	-1.3	3.05
(Accum. Units)	213.3	230.4xd	-1.6	3.05
Cabot Recovery	49.7	52.6xd	-0.3	7.06
Cap. Growth Inc.	92.5	98.0xd	-0.1	2.11
Cap. Growth Acc.	88.5	94.6xd		2.11
Inc. & Assets	39.2	42.3xd	-0.1	6.62
High Income Funds				
Cabot Income Trust	184.1	198.8	+0.5	6.37
(Accum. Units)	227.9	300.1	+0.8	6.37
High Income	64.4	68.9		8.85
Cab. Extra Inc.	54.6	58.4xd	+0.1	10.15
Cab. Sm.Cos.Div.	41.1	43.9	+0.1	10.25
Cabot Pf. & Gilt	44.2	47.8xd		11.47
Cabot Int.	49.6	51.4		11.75
Sector Funds				
Financial & ITU	47.8	51.4	+0.5	2.08
Oil & Nat. Res.	64.9	70.5	+0.2	1.55
International				
International	46.8	50.5xd	+0.4	1.03
World Wide Oct. 3	148.7	158.2xd	-0.2	3.65
Overseas Funds				
Australian	85.6	93.0xd	-0.1	1.52
European	43.4	46.5	-0.3	3.17
Japan Trust	77.7	83.1	+0.4	0.80
Pacific Sm. Cos.	70.8	75.7xd	+0.5	1.64
North Amer.	45.0	48.0	+0.5	0.45
Cabot Sels.	71.5	77.2	+1.4	0.58
Exempt Funds				
High Inc. Exempt(Ob).	—	—		10.00
Smlr. Cos. (b)	135.0	140.4	+0.4	2.85
Euro.Exempt. Oct. 3	113.2	121.0		2.09
Income Oct. 3	87.4	91.0		0.79
North Amer. Oct. 3	146.2	152.3		1.52

Hill Samuel Unit Tst. Mgrs.† (a)
45 Beech St., EC2P 2LX 01-628 8011

(b) British Trust	108.0	201.1	-0.8	4.77
(b) Capital Trust	38.8	38.2	-0.2	4.58
(g) Dollar Trust	70.6	85.2	+0.9	2.36
(g) Far East	26.8	28.7	+0.2	0.90
(b) Financial Trust	137.8	147.6xd		1.98
(b)Gilt & Fixed Tst.	24.8	25.7		13.05
(b) High Yield Tst	25.9	27.8	+0.1	10.65
(b)Income Trust	27.9	29.9		7.97
(g) Int'l Trust	57.1	60.7	+0.3	2.64
(g) Security Trust	62.0	64.2	-0.3	5.81
(b) Spec. Sits. Tst.	30.9	33.1xd	+0.2	3.15
Gen. Exempt Sept. 15	£167.0	177.0xd		4.80

Investment Intelligence Ltd.♥ (a)(g)
15, Christopher Street, E.C.2. 01-247 7243

Intel. Amer. Tech. Fd.	61.8	65.8	+0.2	0.20
Intel. Inc. & Cap. Gth.	69.6	72.7	+0.1	7.80
Intl Pacific Fund	84.6	89.9	+1.5	1.50
Intel Small Co's Fd.	90.1	96.1	-0.1	4.60

Key Fund Managers Ltd. (a)(g)
25, Milk St., EC2V 8JE. 01-606 7070

Key Energy In. Fd.	182.5	194.5	-1.8	1.80
Key Equity & Gen.	92.3	97.8		5.41
Key Exempt Fd.	220.9	235.0		6.02
Key Income Fund	71.6	76.0		10.04
Key Fixed Int. Fd.	49.2	52.4xd		14.24
Key Small Co's Fd.	144.1	153.3xd		5.64

Kleinwort Benson Unit Managers♥
20, Fenchurch St., EC3 01-623 8000

K.B. Unit Fd. Inc.	113.4	123.3	-0.3	5.78
K.B.UnitFd.Acc.	156.0	169.6	-0.4	5.78
K.B. Fd. Inc. Tsts.	72.5	78.6xd		4.48
K.B.Fd.In.Tst.Acc.	79.0	85.7		4.48
KBSmlrCo'sFdInc	54.1	57.3xd	+0.5	6.48
KB.Sm.Cos.Fd.Acc.	59.9	63.5	+0.5	6.48
KB High Yld. Fd. Inc.	52.7	57.6		9.98
KBHighYld.Acc.	60.2	65.7		9.98

L & C Unit Trust Management Ltd.♥
The Stock Exchange, EC2N 1HP. 01-588 2800

L&C Inc. Fund	151.8	156.5	-1.0	10.61
L&C Intl & Gen Fd.	127.9	131.9	+2.1	2.54

Legal & General (Unit Tst. Mngrs.) Ltd.♥
5 Rayleigh Rd., Brentwood 0277 217238

Equity Trust Sept. 10	85.7	90.8xd		4.82
(Accum. Units)	116.7	123.7xd		4.82

Next sub. day October 8.

Leonine Administration Ltd.
2, St. Mary Axe, EC3A 8BP. 01-623 6114.

Leo Distribution	108.7	115.4		1.98
Leo Accum.	127.2	135.0		1.99

Lloyds Bk. Unit Tst. Mngrs. Ltd.♥ (a)
Registrar's Dept., Goring-by-Sea, Worthing, West Sussex. 01-623 1288

Balanced	67.5	72.9	-0.4	4.87
Do. (Accum.)	101.4	107.9	-0.5	4.87
Extra Income	61.4	66.0	+0.1	9.60
Do. (Accum.)	79.7	85.6	+0.1	9.60
Income	92.1	99.0		7.44
Do. (Accum.)	119.5	150.0		7.44
Int. Technology	61.0	65.5	+0.7	0.92
Do. (Accum.)	61.0	65.5	+0.7	0.92
Small Cos. & Recy.	46.0	49.4	+0.3	4.87
Do. (Accum.)	76.0	81.7	+0.4	4.87
Worldwide Gwth.	99.9	107.4	+0.4	2.42
Do. (Accum.)	111.7	117.5		7.25
Exempt Sept. 2	111.7	117.5		—

♦Unauthorised. For tax exempt funds only.

Lloyd's Life Unit Tst. Mngrs. Ltd.
72-80, Gatehouse Rd., Aylesbury. 0296 5941

Equity Accum.	232.2	244.4		5.01

Local Authorities' Mutual Invest. Tst.*
77, London Wall, EC2N 1DB. 01-588 1815

Prop. Fund Aug. 31	144.75			6.24
Wider Fund Aug. 31	343.95			5.68
Narrower Fd. Aug. 31	75.65			13.12

*Unauthorised. Available only to Local Authorities.

M & G Group (y)(z)(z)
Three Quays, Tower Hill, EC3R 6BQ. 01-626 4588.
See also Stock Exchange Dealings.

American	57.9	61.4	+0.4	2.10
(Accum.

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INDUSTRIALS—Continued

Dividends Paid	Stock	Price	Last xd	Div Net	C'vr	YTd Gr's	P/E
Jan. July	Hargreaves 20p	52	20.5	3.96	2.2	10.9	5.8
Jan. Aug.	Harris (Ph.) 20p	85	14.7	5.5	1.6	9.2	9.1
May Nov.	Harris & Sheldon	36½xd	20.5	3.0	2.3	11.7	5.1
July Feb.	Hawkins & Tipson	22	97%	±1.0	3.2	÷	6.7
July	Hawkin 5p	10	2.6	0.25	8.6	3.6	3.4
Dec. June	Hay (Norman) 10p	64	28.4	3.35	1.9	7.2	10.2
December	Hensher 'A' 10p	169	19.11	▲2.5	2.5	5.3	11.6
June Nov.	Hepworth Cmc.	90	15.9	5.0	3.3	7.6	4.6
Dec. June	Hestair	27	17.5	1.0	1.0	5.3	11.6
May	Hewitt (J.)	37	14.6	1.5	0.8	5.8	2.0
Dec. July	Hexagon & Ab 50p	26	26.6	—	—	—	—
July Nov.	Hill (Cyrus) £1	50	21.5	—	—	—	—
Nov. Apr.	Hinc Mal Gen 20p	23	22.7	±2.6	1.4	—	13.8
Jan. July	Holden (A.)	100	21.6	5.0	1.3	7.1	4.9
Feb. Sept.	Hollis Bros	28	23.11	1.4	1.6	7.1	10.7
Dec. July	Hill Lloyd Int. 10p	75	2.6	b3.17	2.5	6.2	7.5
Apr. Sept.	Hoover 'A'	125	11.6	±12.0	0.9	—	10.8
Oct. July	Hoskins & H 20p	55	2.6	±8.0	1.5	÷	4.0
Feb. Oct.	Howard Tenens	70	1.9	2.28	2.0	4.7	12.9
Nov. July	Huntleigh Assoc.	350	16.6	5.0	6.0	2.0	9.0
July Nov.	Hundegin 10p	120	5.6	1.19	2.8	1.9	30.3
December	Hutch Vitamp SHK	121½	12.5	h0.28c	—	—	16.0
Oct. July	Hyman (L. & J.) 5p	17	15.9	1.25	3.5	10.3	3.8
Sep. July 0. Jn.	I.C. Industries£1	£12¾	9.9	d52.00	—	—	7.3
July Feb.	ICI	145	2.6	h2.97	7.4	2.9	5.0
May Nov.	Ingall Inds. 10p	32	14.4	2.77	÷	10.6	÷
Jan. Aug.	Initial Services	207	11.6	7.5	2.3	5.6	9.4
Dec. Jun.	Inter-City 25p	180	5.11	1.6	1.8	5.1	19.2
Jan. July	J. B. Holdings 10p	45½	2.6	3.0	2.1	9.7	4.9
August	Jackson & Bourne	105	11.8	▲5.0	÷	6.8	÷
Aug. Jan.	James (A.) Ind. 10p	20½	10.12	0.75	3.9	10.2	2.9
Nov. June	Jardine M. SHK6	232	25.4	h38c	1.9	3.5	16.1
Apr. Dec.	Jenkinson	16	25.2	1.03	÷	9.2	÷
—	Johnson & Barnes	32½	17.5	—	—	—	—
Oct. Apr.	Johnson Cmrs.	141	1.9	†6.2	3.8	6.3	4.5
Feb. Aug.	Jackson Mthy. £1	290	11.6	h7.5	2.8	4.3	19.5
Oct. June	Jourdan (T.) 10p	70	11.8	4.2	0.6	8.6	27.1
May Dec.	Kalamazoo 10p	77	28.4	3.75	1.6	7.0	12.9
Feb. July	Kelsey Inds.	134	2.6	†7.0	4.1	7.5	5.5
Oct. April	Kennedy Sec. 10p	73	1.9	3.5	3.6	6.4	5.5
Nov. April	Kerseley (A.) 5p	282	15.9	h21.75	0.6	11.1	6.9
Jan. Aug.	Klein-B.-Ze Hldgs.	71	14.7	5.5	3.1	11.1	3.3
Jan. Aug.	L.C.P. Hlds	68	30.4	3.5	1.8	9.6	7.8
Dec. Aug.	L.C. Intl'l. Inv.	26	11.1	1.5	1.1	8.9	—
Oct. April	L.R.C. Int. 10p	36	11.8	2.45	1.8	9.7	16.8
Dec. May	Lawtex	32	24.3	†3.56	4.5	10.2	2.3
Nov. Nov	Lesli Inds. 50p	155	14.6	9.86	2.7	9.1	5.3
Jan. Aug.	Leyland Leathr.	70	28.4	15.25	3.5	6.8	6.6
Oct. Mar.	Le Bas (Sir)	62xd	28.9	▲1.93	2.9	3.9	4.1
Nov.	Lep Group 10p	35	11.8	2.5	2.5	7.9	6.9
Jan. July	Lesney 50p	22	5.11	1.23	—	7.0	—
Feb. Sept.	Letraset 10p	110	1.9	7.14	2.8	9.3	7.2
Jan. July	Litchfield 10p	33	12.5	3.5	3.8	11.6	2.4
Feb. Oct.	Lon. & Liv. 10p	33	28.12	h1.4	1.2	6.2	32.7
Jan. Sept.	London & Mid'd	104	11.8	7.75	2.0	10.6	6.1
Dec. Jan.	Lon. & Hbn. Grp.	34	2.6	3.75	3.5	15.8	2.4
Jan. June	Long Hmdy. 10p	7	10.12	▲0.48	5.0	÷	2.2
Oct. Apr.	Longcom Inds.	65	15.3	5.0	3.7	10.8	2.8
Aug. Apr.	Lonrho Unlisd.	50	30.6	▲3.17	1.9	13.4	4.8
—	†† Loxo Inc.	15	—	0.16	1.2	3.2	3.6
Dec. June	Lucas & Chev. 50p	168	14.4	†14.5	1.6	12.7	6.6
June Dec.	M.Y. Dart. 10p	37	12.5	▲2.8	2.5	10.3	3.9
Sept. Sept.	Macfarlane Gp.	150	11.8	6.5	2.4	7.1	6.5
Oct. May	Macfarlane Gp.	80	15.5	‡3.52	2.8	6.3	7.9
Nov. Nov.	MacLellan 25p.	24	12.5	1.45	2.4	8.7	(5.5)
Aug. Mar.	Magnaflow (D.)	64	14.7	4.2	4.0	9.4	3.0
February	†† Maddock 20p	5	15.1	—	—	—	—
Oct. Apr.	Magnolia Group	65	15.9	2.1	5.7	4.8	5.1
Aug. Feb.	Man. Ship Con. £1	233	1.9	13.38	1.1	7.4	11.4
Aug. Mar.	Marley	30	1.9	h2.0	3.3	7.5	8.7
Feb. Oct.	Marley Ind. 10p	21½	23.7	0.89	3.2	5.9	6.3
Dec. Jan.	Marshall L.'s. 'A'	25xd	29.6	2.8	1.9	15.3	(4.1)
Jan. July	Marshall's Univ	68	2.6	5.84	1.7	17.4	(3.9)
Dec. May	Martin-Black	35	5.76	—	—	—	—
—	Mathesons 71p	£5.34	30.6	h72.4%	2.3	15.5	—
June Nov.	Maynards	150	14.5	8.75	1.4	8.3	0.8
Jan. June	Metal Box £1	212	11.6	20.5	1.5	10.3	6.2
Nov. June	Metal Closures	93	15.9	5.4	2.9	8.6	6.5
Dec. June	Delta	22	12.5	1.85	1.6	12.0	(6.7)
—	Do. Defd.	27	—	—	—	—	—
Mar. Oct.	Metsons 5p 88-6	570	14.1	05%	—	15.6	—
—	Mercantile Cdts.	0	10/7	—	—	—	—
Jan. July	Morgan Crucible	135	2.6	7.5	2.5	8.2	6.1
Jan. June	Moss (Reg.) 10p	25	14.7	1.6	1.0	15.2	4.6
Oct. April	Mosson Gr. 10p	68½	15.9	▲3.8	4.8	÷	3.1
—	Mr NCC Energy	see Oils					
Mar. Sept.	Mitch (C. F.) Secs.	62	11.8	16.5	1.1	15.9	3.5
Dec. June	Mitchell (S. G.)	25	12.5	4.0	3.7	15.9	2.4
Nov. Nov.	M.E.P. 4% 93-98	591	9.9	04%	55.2	F4.5	—
October	Newell & Zander	35	28.8	P —	—	—	—
Oct. April	Neil & Spencer 10p	78	11.8	3.5	3.0	7.1	6.1
—	New Equip. 10p	13xd	29.6	1.04	3.6	9.9	4.8
April Oct.	Nilpeter	50	11.7	3.5	2.1	9.4	6.0
Jan. Aug.	Norcros	70	14.7	3.52	2.1	10.2	6.0
May Oct.	Norvic Secs. 10p	10	24.3	1.5	—	—	—
Dec. April	Norv. Swift 5p	52½	15.9	2.65	1.0	13.0	7.4
—	Coloured Grp.	81	—	6.5	2.9	11.5	5.2
Jan. June	Office & Elect.	338	12.9	6.5	3.6	3.0	15.2
Oct. May	Ofrex 20p	73xd	29.9	h3.67	3.3	6.5	6.4
Jan. June	Owensmere 12½p	19	12.5	0.5c	2.1	9.0	5.2
May Nov.	Ozalid Fin. Cv.	£75	16.4	09%	—	F12.5	—
Dec. June	P.M.A. (Holdings)	32	19.11	▲4.2	2.9	18.8	(2.5)
April Oct.	Parker Knoll 'A'	180	24.3	7.0	÷	10.5	÷
Feb. Aug.	Pauls & Whites	152	30.6	5.75	3.6	5.4	5.6
—	Feerless	70	—	h6.3	17.8	12.9	3.3
June Nov.	Pentland 10p	23½	1.9	†1.27	5.3	6.2	3.6
Oct. July	Pentos 10p	47	15.9	4.02	2.1	12.2	(4.8)
—	Do. Defd. 20p	42	—	—	—	—	—
Sept. June	Petrocon 12½p	51	8.10	▲1.15	0.3	÷	—
—	Phillips Petrols	22	11.8	d1.0	0.2	11.9	—
May Dec.	Photo-Mat 50p	38½	29.3	h9.45	3.9	3.6	8.7
Feb. Aug.	Pilkington Br. £1	228	30.6	10.5	3.1	14.6	5.4
June Dec.	Pitt'n Sows Ln.	52	2.6	d5.4%	21.0	6.5	—
Sept. April	Plastic Cond. 10p	23	11.8	d2.67	1.5	16.6	5.6
Oct. Feb.	Plasigram 5p	9	30.6	0.6	1.2	9.5	12.5
Apr. Nov.	Polymark 10p	82xd	29.5	3.7	3.3	6.4	5.2
Jan. July	Portals	412	28.6	†11.0	3.1	3.9	10.2
Jan. Jan.	Powell Duff. 50p	258	14.7	15.25	2.3	8.0	6.2
Oct. Aug.	Press (Wm.) 5p	23	2.6	1.2	2.5	6.1	6.8
Sept. Mar.	Prestige Group	125	11.6	6.07	2.6	7.9	6.3
June Nov.	Pritchard Svs. 5p	165	15.5	8.5	2.7	4.8	13.9
Nov. May	Provincial 5p	42	2.6	▲1.15	2.7	4.9	(7.9)
Feb. Sept.	P.F.D. Group 10p	83	27.9	9.3	1.9	9.3	12.1
Jan. July	Raleigh Ind. 12½p	54	30.6	3.0	5.2	7.9	5.6
Nov. Apr.	Rank Org.	156	17.9	10.8	2.3	9.3	5.4
Jan. July	Reckitt & Colman	176	12.9	8.5	2.6	7.6	(8.2)
July Feb.	Redfearn Glass	170	28.12	15.55	2.7	14.8	4.0
Jan. Aug.	Reed Exec. 10p	50½	14.4	4.5	3.9	11.0	2.9
Jan. Aug.	Reed Intl. £1	187	14.6	13.0	4.0	9.5	2.5
Oct. June	Relyon PBWS	67	1.9	h1.8	2.3	10.2	4.0
March	Renson Inc. V50	95	24.3	020%	÷	2.9	÷
Feb. Oct.	Renwick Group	47	11.8	3.5	3.3	10.6	3.1
May Sept.	Resmor	88	1.9	4.0	4.9	6.5	3.4
Ja.Ap.Au.	Resistance	24	11.8	4.91	1.3	29.2	(3.3)
Apr. Nov.	Rexine	43xd	14.4	h8.5	÷	2.8	÷
July — Jan.	Riley (E. J.) 10p	39	2.6	3.5	2.1	12.8	5.2
—	Rock Debenh. 10p	23	2.6	1.0	3.6	6.2	5.1
Nov. May	Rodware	69	14.6	6.65	2.9	13.8	(2.8)
—	†Rolls & Riton 10p	70	—	11.0	3.5	2.0	19.8
Dec. Aug.	Romer Hldgs.	130	14.7	4.5	3.2	4.5	8.2
Dec. Aug.	Do. 'A'	129	14.7	4.5	3.5	6.0	8.2
Jan. July	Rotaprint 20p	35	10.12	1.12	1.3	10.7	6.6
May Nov.	Rowan & Boden	61xd	28.9	▲2.21	1.1	7.7	2.8
Nov. May	Royal Worcs.	332	15.9	8.6	4.6	5.5	6.6
Jan. July	Russell (A.) 10p	129	14.7	2.0	5.5	2.6	8.1
—	Ryan (L.) 5p	12½	17.6	—	—	—	—
August	S. George's Ty. 10p	85	14.7	1.4	3.6	2.4	15.9
Jan. July	S. Scot. Fr. 100	£12	2.7	0.66%	1.3	14.3	5.5
Dec. June	Sale Tilney	173xd	29.9	▲2.75	5.7	5.4	4.2
Dec. June	Salters Ind. 10p	40xd	29.9	h1.76	4.5	5.7	(4.5)
Jan. Oct.	Sangers Grp.	61	11.8	▲6.38	1.2	14.9	(7.5)
Jan. Aug.	Scapa Group	88	14.7	6.55	2.1	10.6	5.4
Jy.0.Ja.A.	Schlumberger $1	£62½	10.9	h35.00	—	1.1	—
Feb. July	Scottcros	133	16.6	5.07	3.5	5.9	5.9
Dec. June	Scot. Heritable	35	2.6	2.5	4.0	10.3	2.7
Oct. July	Sears Hldgs.	09½	12.5	2.0	1.3	6.6	6.6
Aug. Mar.	Security Gas	157	1.9	▲1.47	2.7	1.3	(9.0)
Aug. Aug.	Selfix 'A' N-V	56½	1.9	▲1.47	0.7	1.5	8.9
Aug. Mar.	Security Services	150	1.9	▲2.47	4.1	2.6	11.1
Aug. Mar.	Do. 'A' N-V	150	1.9	▲2.47	4.1	2.6	11.1
Apr. Oct.	Sharp Ware 20p	155	15.5	▲3.33	19.6	3.5	2.8
Apr. Sept.	Silse Gorman	165	11.8	7.26	3.0	6.3	6.6
Dec. June	Silentnight 10p	49	28.4	3.0	3.6	10.7	3.0
Jan. July	Silr'stone 10p	25	2.6	1.5	3.2	8.6	4.6
July Jan.	Simpson (S.) 'A'	64	12.7	4.26	2.6	9.5	6.3
Jan. July	Sketchley	290	15.9	8.0	3.9	4.8	7.5
Oct. May	Smith (Alex.) 20p	38	1.9	h3.65	2.1	6.5	0.6
June Dec.	Smiths Ind. 25p	230	23.4	19.75	3.2	6.0	6.4
Oct. May	Solic. Law 20p	20	14.6	1.47	2.8	—	(4.1)
Aug. —	Sorbic Secs. 10p	10	24.3	2.68	1.2	19.3	8.5
Sept. —	Southby P.B.	520	28.7	d11.5	2.9	3.2	13.3
May —	Spencer (J. W.)	69	23.4	†h2.01	4.3	4.3	5.9
Jan. —	Spear (J.W.)	115	16.6	6.0	3.6	7.3	4.8
June Jan.	Spring Grove	54½	2.6	▲4.0	2.5	6.0	7.4
May Dec.	Staffs. Pots.	65	18.5	1.13	÷	3.6	÷
Oct. May	Stag Furniture	71xd	29.9	h5.0	5.4	10.1	2.0
August	Std. Fireworks	92	21.7	6.63	2.5	9.8	5.8
May —	Standard Ind.	153	14.4	1.85	3.3	5.9	17.8
Nov. Apr.	Stanley	172xd	29.9	10.5	2.9	8.6	4.5
—	Stakis Manf. HK$1	9	6.77	0.40c	0	5.6	0
Feb. July	Sterling Ind. 25p	27	30.6	1.65	1.5	8.7	10.9
Apr. Dec.	Stockiake	55	10.3	3.27	3.2	8.3	4.1
Jan. July	Stonehill Hldg.	80	16.6	8.5	2.6	13.8	4.1
June Nov.	Sumner (F.) 10p	9	12.5	▲0.65	1.1	÷	11.8
Oct. May	Sunlight Serv. 10p	78½	12.5	▲1.9	4.3	3.5	7.8
Feb. Aug.	Sutcliffe Speak.	45	21	—	—	—	—
May —	Swatch Mech 150	920	28.8	012%	3.6	6.9	4.0
November	Swire Pacific 60c	63	9.5	065c	1.8	6.3	8.7
Mar. Sept.	Sykes	105	23.7	d9.0	4.0	6.6	5.4
January	Tebbs 5p	34½	17.6	—	—	—	—
Mar. Aug.	Thermal Synd.	91	14.7	7.0	2.8	11.0	5.7
Jan. July	Tib. Times Vn. 5p.	9	16.6	0.6	3.9	9.5	3.4
Oct. April	Third Mile Inv.	30xd	29.9	M1.22	÷	5.7	÷
Nov. May	Tilling T. 20p	263	14.4	17.0	3.1	6.3	5.8
Jan. Aug.	Tomkins R.W	32	30.7	—	—	—	—
— June	Toye	55	2.6	1.63	8.5	4.2	2.9
Feb. Aug.	Trafalgar H. 20p	71	2.6	15.0	21.1	10.1	6.2
Mr.Jn.S.D.	Trans. Un. US$1	£21¼	8.5	052.60	—	—	—
Nov. May	Transport Dev.	77	15.9	6.25	2.2	7.9	7.2
Jan. —	Tricom	53	16.6	2.75	4.5	6.8	3.5
Nov. May	Trimer & Nev. £1	108xd	29.5	▲11.5	0.5	÷	10.2
Feb. Aug.	UKO Intl.	91	15.6	9.63	1.8	15.2	(4.4)
Dec. May	Unicorn Indust's.	123	14.4	47.14	1.9	8.3	7.7
— July	Uniflex 10p	43	12.5	d1.5	10.0	4.5	2.3
Dec. May	Unilever	465	14.7	24.05	2.7	7.0	5.9
Dec. May	Un'v K.V. £1.12	£15¾	15.5	h43.4%	2.7	8.3	4.7
Jan. Jan.	Utd. Carriers 10p	157	28.4	5.0	3.8	3.8	9.1
Jan. Sept.	United Gas Ind.	62	11.8	4.9	2.2	10.3	(5.2)
March	U. Guarantee 5p	12½	25.2	0.5	3.9	5.7	7.4
Jan. July	Uniochrome 10p	35	2.6	▲0.4	6.4	3.6	6.3
Jan. July	Valor	43½	11.8	2.66	5.1	7.8	2.7
July Dec.	Viners 10p	39	5.9	—	—	—	—
Feb. Aug.	Vinten Grp. 20p	176	2.6	3.8	3.4	2.3	18.4
July Dec.	FW Ribbons 10p	26	10.12	d1.0	2.8	6.2	(7.2)
Jan. Aug.	W.G.I.	112	31.8	8.4	2.6	10.7	4.0
Dec. June	Wade Pots. 10p	39	21.9	1.82	4.4	7.6	3.3
Nov. May	Walker Haw. 5p	5½	30.11	—	—	—	—
Apr. July	Ward (T. W.)	90	16.2	†6.21	2.9	9.8	4.3
May Nov.	Waterford Sp	27	21.3	e01.87	2.8	6.2	6.2
Apr. Oct.	Wardlem's	357	11.8	9.7	2.7	3.7	14.2
Feb. Aug.	Watson P. K. 10p	23	14.7	d5.3	3.5	5.8	6.5
July Mar.	Westwood	67	30.6	4.18	2.9	8.9	6.2
Sept. Mar.	Wesh. Board 10p	53	28.7	5.3	2.6	7.7	7.7
May Nov.	Wick M. A. HK$1	52	17.1	h022½c	2.2	3.7	17.2
May Oct.	Wheeler R Angel	50	12.5	3.5	2.5	6.4	(6.1)
Feb. Apr.	Whitecroft	155	30.6	7.7	1.8	20.8	3.3
Oct. May	Wilkes (J.)	86xd	29.5	d4.12	1.7	7.0	(9.9)
Dec. June	Wilkins Mitchell	27	12.5	2.21	0.6	11.7	(2.5)
Apr. Oct.	Willis, Jones & Pn.	168	11.8	▲29.0	2.6	7.1	5.3
June Dec.	Do. 10pc Cnv.	£91	2.6	h010%	18.2	F11.5	—
July Feb.	Williams (J.)	27	2.6	†2.75	0.3	14.6	37.1
May Nov.	Willis (George)	50xd	29.9	h3.6	3.5	9.5	3.8
Apr. Oct.	Witter (Thomas)	43	11.8	4.03	2.4	13.4	4.5
May Nov.	Wood & Sons 5p	17	28.12	0.7	—	5.9	—
May —	Wood (Arthur) 5p	23	20.8	1.0	5.6	6.2	3.6
December	Wood Hall	125	19.11	b6.21	2.3	7.2	6.8

INSURANCE

Dividends Paid	Stock	Price	Last xd	Div Net	C'vr	YTd Gr's	P/E
Feb. July	Brentwd Ed. 10p	18	7.23	—	—	—	—
May Sept.	Britannic 5p	256	1.9	†11.9	—	6.6	—
F.M.S.D.	Combined Inc. $1	£69	22.4	‡£1.60	—	9.0	—
Nov. May	Comm. Union	152xd	29.5	†9.8	—	8.3	—
Jan. July	Eagle Star	243	2.6	†9.0	—	5.3	—

INSURANCE—Continued

Dividends Paid	Stock	Price	Last xd	Div Net	C'vr	YTd Gr's	P/E
—	Edin. Gen. Ins. 10p	27	—	—	—	—	—
June Dec.	Equit UK 9% Cv.	£121	12.5	Q9%	—	F7.6	—
Jan. July	Equity & Law 5p	324	12.5	11.0	—	4.8	—
Jan. July	Gen. Accident	560	12.5	†12.0	—	4.8	—
Jan. May	G.R.E.	353	14.4	†13.5	—	5.4	—
July Dec.	Hambro Life 5p	317	28.4	7.2	—	3.2	—
July July	Heath (C.E.) 20p	275	2.6	†9.6	2.2	6.8	9.2
Oct. Mar.	Hogg Robinson	128xd	29.9	5.7	2.2	6.4	10.1
Oct. Apr.	Howden (A.) 10p	103	14.4	7.0	1.7	10.0	7.8
—	Do. Warrants	£36½	—	—	—	—	—
June Dec.	Legal & General	235xd	29.9	†7.6	—	4.7	—
Nov. May	Lon. & Man. 5p	214	28.9	†3.75	—	5.9	—
Oct. Apr.	London United 20p	168	15.9	9.0	2.3	7.7	8.2
—	North McLean's £1	168xd	12.5	▲3.6	1.8	5.7	9.8
Nov. June	Minet Hldgs. 20p	105	12.5	4.7	2.6	6.1	10.1
Mar. Aug.	Moran (Chris) 20p	24	30.6	4.0	÷	23.8	÷
Oct. June	Pearl 5p	434	1.9	17.0	—	5.6	—
Dec. June	Phoenix	384	12.5	†13.3	—	6.4	—
Dec. July	Provident	284	28.9	10.2	—	7.1	—
Nov. May	Prudential	263	14.4	†9.5	—	5.2	—
Nov. May	Refuge 5p	222xd	29.9	†10.6	—	5.6	—
Jan. May	Royal	275	24.3	†21.5	—	6.6	—
Feb. Oct.	Sedgwick 10p	126	15.9	5.0	2.3	5.7	11.7
Sept. Apr.	Stenhouse	90	1.9	4.52	2.3	7.2	8.1
July July	Stewart Wr. 20p	215xd	29.9	12.0	2.0	8.0	(8.7)
Jan. July	Sun Alliance £1	890	12.5	†28.0	—	5.1	—
June Dec.	Sun Life 5p	229	12.5	H7.5	—	4.7	—
April	Taisho Mar. EDR	553	25.3	d10%	—	0.2	—
Nov. May	Trade Indemnity	218	14.4	†5.6	—	3.8	—
Ma.Ja.Se.De.	Travelers $2.50	£19¾	28.7	d52.48	—	6.1	—
Dec. June	Willis Faber	262xd	29.9	†11.0	1.8	6.0	12.9

LEISURE

Dividends Paid	Stock	Price	Last xd	Div Net	C'vr	YTd Gr's	P/E
May Aug.	Anglia TV 'A'	90	30.6	†3.57	3.0	5.7	8.1
Sept. Feb.	Assoc. Leisure 5p	114	11.8	5.1	2.4	6.4	8.0
Dec. June	Barr & W.A.T. 'A'	69	2.6	6.75	2.4	14.0	3.8
Jan. July	Black Edgts. 50p	40	12.5	▲5.0	1.0	÷	10.0
Nov. June	Bossey & Hawes	128	28.4	5.67	1.8	6.3	(8.5)
Mar. Nov.	Campari Int. 20p	46	30.3	†19.65	3.5	10.9	2.9
Apr. Nov.	Coral Leis. 10p	91	28.4	▲7.45	2.2	11.7	5.6
Feb. June	Fairfine Scots 10p	65½	16.4	5.2	3.6	11.3	5.2
—	Glasgow Pavilion 10p	41	37.7	—	—	—	—
Jan. June	Grampian 'A' 10p	35	12.5	2.28	1.7	9.3	8.8
May Oct.	HTV Non/Vtg.	113xd	29.9	10.0	÷	12.6	÷
June Dec.	Hawley Leisure 5p	44	11.8	1.6	5.7	5.2	7.5
May Oct.	Horizon	220	1.9	†7.35	4.4	3.8	8.7
July Dec.	H'w'rd Wy'd 20p	6	21.5	0—	—	—	—
—	Lazarus (D. M.) 5p	27	—	—	—	—	—
Dec. Apr.	LWT 'A'	123	14.4	9.89	2.1	13.1	5.1
June Jan.	Magnet, Ag. H. 10p	164	2.6	15.69	2.9	7.6	9.1
Apr. Dec.	Mecdimister 10p	30	28.4	†2.25	1.6	9.7	7.5
—	†† Nationwide 5p	6	—	▲0.37	0.1	6.6	—
Jan. Sept.	Norton & Wt. 10p	70	1.9	d4.47	2.2	9.1	7.1
—	†† Pan Atlas 20p	25	—	—	—	—	25.5
Jan. June	Protex (Lon.)	78	28.4	±3.5	4.5	6.5	3.7
Oct. April	Pleasurama 5p	170	11.8	d2.3	4.4	4.1	8.0
Jan. July	Rediff. TV Pref. £1	59	18.12	5.95	24.2	14.4	—
Apr. Nov.	Saga Hols. 20p	153	14.6	†7.5	2.6	5.9	8.7
May Dec.	Samuelson 20p	158	10.9	†8.77	2.8	5.9	8.7
May May	Scott. TV 'A' 10p	107	28.4	4.9	3.4	6.5	6.5
—	†† Tom Hill	30	—	—	—	—	18.2
Oct. Apr	Trid'nt TV 'A' 10p	59	28.7	†3.47	1.9	9.9	7.7
Jan. July	Ulster TV 'A'	66	2.6	15.2	2.2	11.3	6.4
April Sept	Webb (Jos.) 5p	23½xc	28.6	h0.51	3.5	3.2	9.9
Dec June	Westward TV 10p	22	2.6	2.0	2.3	13.0	4.8
November	Zetters 5p	63	15.9	2.5	÷	5.7	÷

MOTORS, AIRCRAFT TRADES

Motors and Cycles

Dividends Paid	Stock	Price	Last xd	Div Net	C'vr	YTd Gr's	P/E
—	B.L. 50p	21	—	—	—	—	—
Mr.Je.S.D.	Gen. Mts. Units	159	5.11	Q12c	—	5.0	—
—	Lotus Car 10p	19	28.8	—	—	—	—
Sept. May	Rolls-Royce Mtrs.	59	24.3	‡6.47	0.9	13.2	(7.0)
May	Volvo Kr50	£20	1.9	Q16%	5.5	13.7	1.3

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FINANCIAL TIMES
Monday October 6 1980

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France protests against neo-Nazis

BY ROBERT MAUTHNER IN PARIS

A WAVE of indignation swept France over the weekend following the bomb explosion last Friday evening in front of a synagogue in Paris, in which four people were killed and at least 10 others injured.

For once, the leaders of all political parties, trade unions and religious denominations were united in condemning what they saw as the most serious resurgence of anti-semitism in France since the end of the Second World War.

Paris was the scene on Saturday of several large protest demonstrations by Jewish and anti-racist organisations, the biggest of which brought together some 20,000 Jews and sympathisers in a march from the Opera to the damaged synagogue. Other protest meetings took place in several provincial cities, including Marseilles, Strasbourg, Toulouse and Toulon.

But these demonstrations were no more than a preface to the mass meeting called for tomorrow in Paris by the Movement against Racism and for Friendship between Peoples, which will be supported by both of the main left-wing parties, the Socialists and Communists, and the trade unions.

The Government, clearly fearing an increase of violence in spite of the appeals for calm made by the leaders of France's 650,000-strong Jewish community, has acted quickly. After a meeting on Saturday between M. Christian Bonnet, the Interior Minister, Jewish leaders and high police officials, the Minister announced that three additional companies of riot police would be detached to protect Jewish buildings, including schools, synagogues and business premises.

However, this measure and firm official promises that the police would do everything in their power to arrest those responsible for the bomb attack have not saved M. Bonnet and the Government in general from sharp criticism by a number of Jewish organisations and the left-wing political parties.

M. Bonnet has been accused by his opponents of failing to take effective action against neo-Nazi groups, in spite of many advance warnings, and of allowing the police to be infiltrated by right-wing extremists. Both the executive committee of the opposition Socialist Party and the radical Jewish Renewal Movement have called for the Minister's resignation and the setting up of a parliamentary committee of inquiry into police recruitment.

The most serious charge of political corruption of the police has come from the main plain-clothes policemen's trade union, the SNAPC. The union's secretary-general, M. Jose Deltorn, said th atas many as one-fifth of the 150 active members of the banned neo-Nazi FANE organisation were policemen and that he could provide a complete list to prove it.

Even more serious was M. Deltorn's accusation that it was not policemen who were attracted by the neo-Nazi groups, but that it was the policy of those responsible for police recruitment to attract extreme fletaoni sthrd cmfwy vbgkq cw

Meanwhile, the police search for the authors of the explosion in front of the synagogue have not progressed very far. Responsibility for the attack was claimed on behalf of a neo-Nazi movement calling itself the European Nationalist Fasces (the fascist symbol of a bundle of rods round an axe) in an anonymous telephone call. But the leader of the movement, M. Mark Fredriksen, has categorically denied any part in the attack

Labour tries to stop open warfare

By Elinor Goodman

LABOUR LEADERS were already trying to clear up the debris of last week's party conference at the weekend and to find some way of defusing public contests between the two wings of the party.

The internal fighting looked certain to continue in full public gaze, however.

Signs were that the national executive would try to work out before the special conference in January some compromise with the unions over the details of the formula for electing the party leader.

The idea would be to put a single constitutional amendment—probably setting up a college which would give MPs the largest single voice in electing the leader—to the conference for approval.

The loose—and by no means always easy alliance—of Left-wingers on the Executive and trade unionists also looks like stepping up the pressure on Mr. James Callaghan to stay on as party leader until after the new system has been agreed.

If it fails to do so, it will switch its efforts to persuading Mr. Michael Foot to stand as a caretaker leader.

To encourage this idea, Mr. Eric Heffer, the executive member who, on Thursday urged Mr. Callaghan to stay on, has told his friends that he would be prepared to give either Mr. Callaghan, or Mr. Foot a clear run in November.

Mr. Heffer, one of the prime movers behind the successful campaign to get the principle of an electoral college accepted at the conference, said earlier this year he would challenge Mr. Callaghan.

But the Left's main objective is to stop Mr. Denis Healey being elected in November. Although his election would have to be confirmed by any new electoral college, he would undoubtedly have an advantage if he had already been elected by the parliamentary party.

New morale among Tories

BY ELINOR GOODMAN, LOBBY STAFF

THE CONSERVATIVES will start their annual conference in Brighton tomorrow with their morale newly shored up by the divisions in the Labour Party exposed in Blackpool. However, they will have cracks within their own ranks visible through the carefully arranged facade.

On the eve of the Conference, the Bow Group yesterday wrote to the Prime Minister urging a more flexible line towards industry while tonight Right-wingers will step up their campaign for tougher action against the unions.

For their part, Ministers will use the platform provided by the Conference to re-state their belief in the need to stick to policies and to ignore short-term pressure for change.

Against a background of increasing concern in the Cabinet about the demands on the Exchequer being made by the nationalised industries, Ministers will repeat throughout the Conference their determination to get public sector costs under control.

In return for their loyalty, delegates will be offered the prospect of a long-term recovery in the economy rather than any popular policy initiatives in the immediate future. The Government has not yet decided on the scale of the package of measures to help the young unemployed. There will be relatively few announcements of substance apart from confirmation of the sale of revenue bonds in BNOC.

Ministers will also confirm their objective of carrying out party policy in other areas when time and money permits. Mr. Michael Heseltine, the Environment Secretary, will acknowledge party pressure for the abolition of the rating system and repeat the Government's commitment to reviewing the system, while Mr. Norman St. John Stevas, the Leader of the House, will accept the motion calling for a strengthening of the House of Lords.

The Conference comes at a time when some Tory workers are becoming increasingly concerned about the effects of Government policy on industry. The overwhelming message to come out of the Conference will be one of support

But, as the Monday Club's letter to the Prime Minister last week showed, the party is determined that some of the arguments should be carried out in the open.

Pressure from the Right on trade union legislation was to be expected at the conference. More significant for the Government is the way the Bow Group yesterday came out into the open with an appeal for a more flexible approach to industry.

In a letter to the Prime Minister, the group warns that Britain cannot succeeed by pursuing strict non-interventionist policies.

Private hospital to go public

By Ian Rodger

A GROUP of Bradford area doctors are going public to raise part of the £3.3m needed by their new company, West Yorkshire Independent Hospital, to build a 45-bed private hospital in Cottingley.

This is believed to be the first time in Britain a private hospital has been financed by a public share issue.

The company says in a prospectus for the share issue that its hospital is intended to meet the growing demand for acute and general care on a fee basis. Waiting lists at national Health Service hospitals are becoming longer and an increasing number of people subscribe to private health insurance plans. The hospital is scheduled to open in July, 1982.

Opposition

The prospectus says the project faces some opposition. Attempts were made to block planning permission and the Bradford Trades Council has decided to boycott work on the construction site.

Some investment institutions are said to have declined to participate in the financing because of "concerns about the political and moral implications of private medicine."

However, the group has arranged £1.1m in loans from Barclays Bank and the Industrial Commercial Finance Corporation, another £1.1m through a placing of convertible shares with institutions, and £450,000 in equipment leases.

The founding 120 doctors are putting up £300,000 and the remaining funds are to be raised through the public issue of up to 400,000 shares at £1 each which began on Friday. The issue has been arranged by M. J. H. Nigtingale and Co. but is not underwritten.

Planning Bill faces 'close run'

BY ROBIN PAULEY

GOVERNMENT MINISTERS are increasingly concerned about the future of key sections of the Local Government Planning and Land (No. 2) Bill which will be considered in detail by the House of Lords today and most of the week.

A secret campaign by Ministers to "buy off" recalcitrant Conservative peers by promising preferential treatment to the Tory shire councils has failed.

Opposition Whips are now confident of winning some changes to the Bill and Ministers are worried that they face defeats which will coincide with the Tory Party conference where local government is a key issue this year.

When the Government realised that the number of peers, particularly Tories and cross-benchers, likely to vote against important clauses in the financial section of the Bill was rising, senior Ministers started round of meetings last month.

Leading Conservative peers known to be backing the local authority drive against the Bill were told that the new system of assessments of the councils' spending needs would give many Tory shires a larger slice of the grant next year—so long as the plans were not wrecked in Parliament.

The ploy collapsed, largely because Ministers again failed to realise that opponents to the Bill are concerned with much more than the division of cash.

Lord Bellwin, Junior Environment Minister, who is to lead for the Government, has now admitted that it is impossible to predict what will happen to the Bill in the Lords except that lack of time could lead to a "very close run." The Government has issued a three-line whip.

It has more than 100 amendments down, and more than 100 local authority amendments have also been tabled. Labour whips are confident that a series of minor amendments will have to be conceded by the Government, but it is difficult to judge whether an important or wrecking amendment will get through. If it does, the Commons-Lords ping-pong could take the Bill out of time.

A threat to the Government seems to be crystallising around the idea of postponing the new financial arrangements and penalties against "overspending." Viscount Ridley has an amendment down for a one-year delay. Lord Bruce of Donnington (Labour) has amendments for two or three-year delays. If they can come together on a single amendment—probably for one-year delay—it will be a strong bi-partisan rallying point and would attract considerable cross-bench support. Any delay, in fact, is certain now to kill block grant for ever.

THE LEX COLUMN

Dragging Massey out of the mud

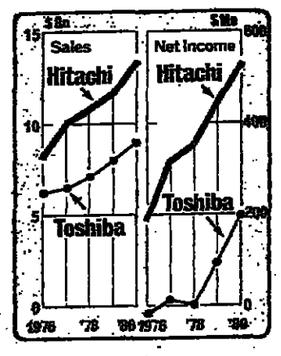
At first sight the Canadian Government's statement on Massey-Ferguson's long-awaited refinancing looked like yet another postponement of the moment of truth. The group's lenders and suppliers have been asked to "maintain their existing arrangements" while the Government and the Canadian Imperial Bank of Commerce, the principal creditor, hammer out a plan.

But the statement has been greeted in Toronto as a strongly positive step. The Government appears to be moving from a passive role, in which it merely studied support plans, suspicious of being asked to save foreign jobs and get foreign banks off the hook, to being an active participant in the search for a solution to the group's financial problems. It would have been unreasonable to expect anything concrete so soon after the astonishing decision—of which the Government was not forewarned—by Argus Corporation, Massey's largest shareholder, to give away its 16.4 per cent stake to the Massey pension fund.

The motive for this quixotic gesture has been variously put down to the political ambitions of Mr. Conrad Black, the chairman of Argus and, until recently, of Massey-Ferguson, or to the use that Argus could make of tax losses. But what matters from Massey's point of view is that a party which may have been the stumbling block to agreement on the form of its refinancing has withdrawn from the negotiations. The Government was presumably unwilling to be seen to be supporting Argus's investment in Massey; equally, Argus could not supply funds on the necessary scale without the assurance of Government backing.

And debt has been rising steadily—operational cash flow has dried up, the group's restructuring plan has been expensive, and it has been left with a very high inventory as North American demand for farm machinery collapsed when stocks were at their seasonal high point. Estimates of gross consolidated debt of around $1.8bn at the end of July have not been denied by the company—this figure is $0.6bn above the October 1979 balance sheet level while net worth can be little more than $0.5bn. There are also further substantial debts in the non-consolidated finance subsidiaries.

The original idea was that C$600m could be found in roughly equal shares from Argus, the Government, the CIBC, and outside shareholders—perhaps through some form of participating preferred stock. Even with Argus out of the



reckoning the sum should still be within reach — certainly nothing less would satisfy its bankers. But the whole affair strikingly shows how hard it can be for a multinational concern to find friends when it gets into trouble.

Electrification

Growth starved equity investors around the world have had to turn their attention to natural resources stocks, but at least there is still one manufacturing sector which is capable of generating enthusiasm—electricals. The surge in the UK electricals sector index by more than 50 per cent so far this year is just part of a worldwide phenomenon as investors try to gain exposure to electronics. The choice is limited, so one result has been a substantial international movement of investment funds, most notably the much expanded American interest in the Japanese market which is having a major impact in Tokyo.

The international ripples are becoming strongly evident in London, too, with British financial institutions becoming more accustomed to their year-old complete freedom to take a worldwide view. So last Thursday the U.S. General Electric took the time and trouble to give its first ever presentation to financial analysts in London, while this week Toshiba is due to obtain a listing on the London market. And an example of the stockbroker sales effort currently going on is W. Greenwell's comprehensive study, published today, of Siemens ("the European technology stock.")

Just how some of the electrical groups may hope to gain from the intense interest in their shares can be seen from the new issue plans of two of the Japanese majors. A month ago Matsushita announced what was then the biggest public issue of common stock in the history of Japanese industry, amounting to nearly $200m. Last week Sony, though a much smaller company, topped this with a proposal to raise something like $230m. Its ability to do this clearly reflects the astonishing U.S. buying of its shares this year, in line with Sony's success of glamorous product lines like video recorders. Big buying of certain Japanese shares has also been evident from the Middle East in recent weeks. In fact foreigners now own well over 30 per cent of Sony.

In this climate General Electric has clearly decided that international investors now matter, and that it runs the risk of being overlooked through familiarity. Yet despite its efforts to achieve what it describes as a "unified strategic thrust" in electronics, its appeal to investors is bound to be affected by the sheer breadth of its activities which limits the impact of the more glamorous growth areas.

Toshiba, too, suffers the handicap of an unexciting image. Its troubles in the mid-70s (there was a loss in 1975) are still comparatively fresh in the memory, and although Toshiba has achieved a strong earnings recovery in the past two years it still struggles to catch up with the performance of its arch-rival Hitachi.

Last month the directors of Hitachi decided to raise the ceiling on overseas investment in the company from 25 to 30 per cent. At present, however, overseas ownership of Toshiba runs to only 13.8 per cent, and that includes the single block of 10.4 per cent held by the U.S. General Electric. Out of 250,000 shareholders only 500 are foreign. It is because Toshiba is not satisfied with this position that it is prepared to go through a relatively elaborate and expensive London listing routine which involves the preparation of a full prospectus-type document.

Most of the Japanese companies listed in London in the early 1970s left because of the Stock Exchange's strict rule that pre-emptive rights to new issues should be given to shareholders. That rule has since been relaxed, and moreover foreign exchange controls have been removed. So there is now the possibility of a move back by a number of Japanese companies which have often been dissatisfied with the results of listing on other European exchanges like Amsterdam or Luxembourg. London merchant bankers no longer claim that an active local market will develop in a share like Toshiba—the market will remain in Tokyo. But the hope is that interest will be stimulated both by the initial publicity and by the easy and regular availability of information.

Continued from Page 1

Steel

industry figures (who were in Madrid yesterday attending the International Iron and Steel Institute's annual conference) such a decision is unlikely.

BSC's deadline is partly framed around the expectation that the commission will require more time—although meeting the corporation's deadline would require a special meeting of the Council of Ministers if Article 58 were to be invoked by the end of the month. Mr. MacGregor, who has explained his position to both Viscount Davignon and Mr. Roy Jenkins, President of the EEC Commission, believes that mandatory powers would be necessary to produce effective price and production controls.

But European steelmakers are deeply divided over the question whether mandatory controls or, rather, a renewed voluntary agreement is the best means of restoring stability in the troubled industry. British Government representatives at the Luxembourg meeting will argue forcibly that, whichever means is adopted, it must be very effectively policed and must last for some months.

Giles Merritt writes from Brussels: The European Commission is due to decide this morning the range of mandatory steel production curbs that it will propose to the EEC Council of Ministers

The curbs will make the Brussels commission the supreme authority governing EEC steelmakers. They are now seen as the last-ditch emergency measure needed to save the industry from an internecine price war.

The tenor of statements being made by steel industry leaders assembled in Madrid makes it clear that all attempts to avert the use of compulsory powers contained in Article 58 of the European Coal and Steel Community's treaty have so far failed.

Purge demand splits Polish leaders

BY CHRISTOPHER BOBINSKI IN WARSAW

A SERIOUS row broke out at the Polish Communist Party's central committee meeting over the weekend about who is to be held responsible for the country's crisis and which party members will face charges of corruption.

Mr. Stefan Miskiewicz, the first secretary at the Warski shipyard in Szczecin, was the first to criticise the speech delivered at the meeting by Mr. Stanislaw Kania, the new party leader, for its failure to say clearly where the blame should be put.

The Polish Press agency reported Mr. Miskiewicz as demanding that every member of the leadership should be investigated to determine whether he had "abused his post for private gain." Such an investigation should cover every central committee member, the whole Government, local party leaders and provincial bosses, he said.

"Only those who are cleared of suspicion should then be able to carry on with the process of renewal," he said.

Mr. Kania's speech, which was delievered in the name of the Politburo and is held to represent its views, had left the question of responbility to the individuals concerned.

He was critical of past policies and practices and implied that Mr. Edward Gierek, the previous party leader, had been responsible for many mistakes. But Mr. Kania told the meeting "that each party activist must himself honestly reply to the question of how much he was to blame."

He promised economic reforms, said that more non-party members would be appointed to management posts, pledged not to allow discrimination against Catholics, and was muted in his criticism of opponents of the system.

Mr. Kania also promised private farmers that the authorities would pay more attention to their needs and told the new independent unions that the party would work with them.

Pay rises limit of 15% sought

BY JOHN ELLIOTT, INDUSTRIAL EDITOR

A GROWING number of manufacturing companies plan to negotiate pay rises of below 15 per cent this winter, according to the Financial Times monthly survey of business opinion, published this morning.

Sir Geoffrey Howe, Chancellor of the Exchequer, will today make his second attempt in two months to persuade union leaders to debate the issue of pay restraint in the National Economic Development Council.

A note on recent economic developments which Sir Geoffrey is submitting to the meeting also underlines the Government's continuing resistance against "premature action" on the level of interest rates.

In the face of pleas for a substantial cut from the Confederation of British Industry, Sir Geoffrey repeats his warnings that such action would make economic problems worse.

Two months ago the TUC objected to his attempts to discuss pay restraint, but it has now accepted that he has the right to return to the subject today. Union leaders hope, however, that most of the meeting will be devoted to the country's general economic problems, including the use of North Sea oil reserves and Government aid to industry.

The FT survey shows that business optimism is still at record low levels and that orders are continuing to decline sharply, falling to their lowest levels since the winter of 1975-1976.

This month's survey covers electrical engineering, consumer durables, and stores and consumer services. All three report lower orders than at the previous survey of these sectors in May.

But all three sectors also say they are more hopeful of increasing their exports during the next 12 months than they were in May. This supports the results of other surveys, although there is continuing concern about the sharply reduced profit margins involved. On wages, an increasing number of companies report that they are better able now to put strong arguments to their unions and workers against awarding high pay rises.

Leaders of the CBI, who have submitted a paper on profitability to today's council meeting, are expected to say that many private sector companies are aiming at increases in single figures.

At the same time the CBI will call on the Government to back the private sector by bringing down the level of increases in the public sector. It will warn that the Government's failure to contain its own wage levels is contributing to the high level of the public sector borrowing requirement.

Details. Page 26; Lombard: False analogies with the 1920s, by Samuel Brittan

Weather

UK TODAY

MAINLY CLOUDY. Rain at times.

London, S.E. and Cent. S. England, E. Anglia, Midlands, Channel Is.
Cloudy, perhaps some rain. Max. 15 C (59 F).

E., Cent. N. and N.E. England
Rain, dry later. Max. 14 C (57 F).

Wales, S.W. and N.W. England, I. of Man
Rain in places. Bright intervals. Max. 15 C (59 F).

Scotland, N. Ireland
Scattered showers, sometimes heavy. Max. 13 C (55 F).

Outlook: Sunny spells, showers. Rather cold.

WORLDWIDE

		Y'day midday °C	°F			Y'day midday °C	°F
Ajaccio	C	23	73	L. Plms.	S	25	77
Algiers	F	27	81	Lisbon	S	24	75
Amsdm.	F	15	59	Locarno	S	19	66
Athens	S	24	75	London	F	15	59
Barclna.	S	26	79	Luxmbg.	S	13	55
Beirut	S	24	75	Luxor	S	32	90
Belfast	C	11	52	Madrid	S	25	77
Belgrd.	S	20	68	Majorca	F	25	77
Berlin	F	12	54	Malta	S	27	81
Biarritz	F	21	70	M'chstr	C	11	52
Bmghm.	F	11	52	Melbne.	R	22	72
Blackpl.	C	13	55	Milan	F	21	70
Bordx.	S	22	72	Mntreal.	C	8	46
Boulgn.	S	14	57	Moscow	C	8	46
Bristol	F	13	55	Munich	C	11	52
Brussels	S	15	59	Nairobi	S	27	81
Budpst.	S	14	57	Naples	F	20	68
Cairo	S	26	79	Nwcstl.	C	11	52
Cardiff	F	13	55	N. York	C	12	54
Cas'b'ca	F	28	82	Nice	S	23	73
Cape T.	F	20	68	Oporto	S	26	79
Cologne	S	14	57	Oslo	C	10	50
Cpnhgn.	F	12	54	Paris	S	15	59
Corfu	S	24	75	Perth	S	14	57
Dublin	R	11	52	Prague	F	13	55
Dbrvnk.	S	21	70	Reykjvk.	R	3	37
Ednbgh.	R	10	50	Rhodes	S	23	73
Faro	F	25	77	Riyadh	S	36	97
Florence	F	23	73	Rome	F	26	79
Frankft.	S	14	57	Salzbrg.	F	13	55
Funchal	S	24	75	Seoul	R	15	59
Geneva	S	17	63	Stckhm.	S	12	54
Gibrltr.	F	24	75	Strasbg.	F	15	59
Glasgow	R	10	50	Sydney	S	20	68
G'rnsey	F	14	57	Tangier	F	27	81
Helsinki	C	10	50	Tel Aviv	S	25	77
H. Kong	S	29	84	Tenerife	S	20	68
Innsbrk.	F	16	61	Tokyo	S	23	73
Invrnss.	R	12	54	Tunis	F	26	79
I.o.Man	R	11	52	Valencia	F	26	79
Istanbul	S	18	64	Venice	F	20	68
Jeddah	S	33	91	Vienna	C	13	55
Jersey	F	15	59	Warsaw	R	8	46
Jo'burg	S	26	79	Zurich	F	16	61

C—Cloudy. F—Fair. R—Rain. S—Sunny

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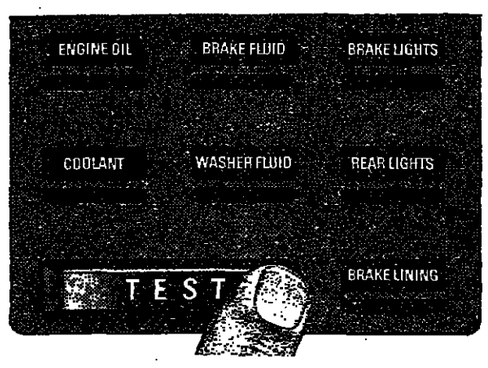

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